

## NEWS RELEASE

### **JUMBO REGISTERS 49.4% INCREASE IN PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY TO \$5.8 MILLION FOR Q2 FY2016**

- ***Revenue boosted to \$39.6 million on the back of contributions from two new Jumbo Seafood restaurants in Shanghai, PRC and an overall increase in revenue from other restaurants***
- ***PRC operations expected to contribute positively to the Group's growth***
- ***Continue to explore ways to stay ahead of the competition and enhance competitive strengths***

**Singapore, May 13, 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 attributable to owners of the Company of \$5.8 million for the three-month period ended March 31, 2016 (“Q2 FY2016”), compared to \$3.9 million for the corresponding financial period a year ago (“Q2 FY2015”).

Revenue increased 18.5% to \$39.6 million for the period under review from \$33.4 million in Q2 FY2015. This was mainly due to contributions from the Group’s two new *Jumbo Seafood* restaurants located in Shanghai, PRC, at Raffles City Shanghai (opened in August 2015) and the Shanghai International Finance Centre (opened in January 2016), as well as an overall increase in revenue from the rest of the Group’s restaurants.

Cost of sales comprising raw materials and consumables used increased 30.0% to \$15.7 million in Q2 FY2016 from \$12.1 million in the corresponding period a year ago. This increase was mainly attributable to higher food costs in Shanghai, PRC.

Employee benefits expense increased 11.3% from \$9.1 million in Q2 FY2015 to \$10.2 million in Q2 FY2016, due to an increase in the number of employees arising from the Group's two new *Jumbo Seafood* restaurants in Shanghai, PRC. Further, there was an overall increase in headcount and salaries for the Group's Singapore operations.

Operating lease expenses rose 20.2% from \$2.6 million in Q2 FY2015 to \$3.1 million in Q2 FY2016, due to new leases for the Group's two new *Jumbo Seafood* restaurants in Shanghai, PRC and higher rental expenses upon the renewal of leases for certain restaurants.

Depreciation expenses decreased 4.5% from \$913,000 in Q2 FY2015 to \$872,000 in Q2 FY2016, as certain fixed assets were fully depreciated.

Despite the increase in revenue, other operating expenses rose slightly by 2.9% from \$3.5 million in Q2 FY2015 to \$3.6 million in Q2 FY2016.

Profit attributable to owners of the Company increased by 49.4% or \$1.9 million, from \$3.9 million in Q2 FY2015 to \$5.8 million in Q2 FY2016 mainly due to co-operative ventures and a subsidiary being fully owned by the Company after the restructuring exercise undertaken in connection with the IPO and a general increase in net profit.

Mr. Ang Kiam Meng (黄建铭), CEO and Executive Chairman, said, "Despite the challenging macro environment, we were able to leverage on our competitive strengths to deliver growth. We are encouraged by the success of our three *Jumbo Seafood* restaurants in the PRC and remain optimistic about the potential of our China operations to contribute positively to the Group's growth."

## Outlook

The F&B industry is expected to continue to be challenging, given the weak economic outlook coupled with an increase in manpower and rental costs.

Mr. Ang shared, “In spite of the challenges of the F&B industry, we remain committed to deliver returns to our shareholders. The Group will continue to tap on the growing affluence of the PRC consumers and demand for new dining concepts. The JUMBO team is also continually exploring ways that will enable us to stay ahead of the competition while enhancing our standing as one of the leading F&B establishments in Singapore.”

Some of JUMBO’s efforts to increase productivity and efficiency and lower operating costs include cost rationalization, improvement of work flow processes, optimizing manpower utilization and adopting information technology applications.

The Group remains on a constant lookout for expansion opportunities via acquisitions, joint ventures or strategic alliances with parties who can strengthen JUMBO’s market position, add value to its existing business and expand its network of F&B outlets.

## 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 *Singapore Business Awards – The Enterprise Award (2016)*, *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](http://www.jumbogroup.sg).

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| ISSUED ON BEHALF OF | : | JUMBO Group Limited  |
| BY                  | : | Citigate Dewe Rogerson, i.MAGE Pte Ltd<br>55 Market Street<br>#02-01<br>SINGAPORE 048941   |
| CONTACT             | : | Mr. Winston Choo / Ms. Renee Goh<br>at telephone   |
| DURING OFFICE HOURS | : | 6534-5122 (Office)   |
| AFTER OFFICE HOURS  | : | 9068-2099 / 9667-5837 (Handphone)  |
| EMAIL               | : | <a href="mailto:winston.choo@citigatedrimage.com">winston.choo@citigatedrimage.com</a> /<br><a href="mailto:renee.goh@citigatedrimage.com">renee.goh@citigatedrimage.com</a> |

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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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*The contact persons for the Sponsor are Mr. Khong Choun Mun, Managing Director and Head, Equity Capital Markets and Mr. Chia Beng Kwan, Senior Director, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, Telephone: +65 6533 9898.*