

NEWS RELEASE

JUMBO RECORDS 17.6% INCREASE IN PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY TO \$5.0 MILLION FOR Q2 FY2019

- *Observes topline growth in Singapore operations and franchises*
- *First JUMBO Seafood Restaurant in South Korea is expected to begin operations in third quarter of 2019*
- *Declares interim dividend of 0.5 cents a share*

Singapore, 14 May 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 \$41.3 million for the three-month period ended 31 March 2019 (“**Q2 FY2019**”), a slight decrease of 1.4% from \$41.8 million recorded in the previous corresponding period (“**Q2 FY2018**”). The dip in revenue was due to lower revenue from the People’s Republic of China (“**PRC**”) operations and partially offset by higher revenue from the Singapore operations and franchises.

JUMBO’s gross profit margin was higher at 64.6% in Q2 FY2019 as compared to 63.4% in Q2 FY2018 due to the closure of underperforming outlets in FY2018 and the first half year of FY2019 coupled with higher franchise income.

Employee benefits expense decreased by 3.4% from \$12.9 million in Q2 FY2018 to \$12.5 million in Q2 FY2019. Operating lease expenses decreased by 3.7% to \$3.6 million in Q2 FY2019 from \$3.7 million in Q2 FY2018 mainly due to the closure of underperforming outlets in Singapore.

In Q2 FY2019, depreciation expense increased by 15.8% to \$1.3 million mainly due to newly opened JUMBO Seafood restaurants in Xi’an, PRC and Singapore in May 2018 and December 2018, respectively.

The Group's other operating expenses decreased to \$3.6 million in Q2 FY2019, a drop of 10.9% from \$4.0 million in Q2 FY2018. The lower other operating expenses for the period under review were largely due to lower professional fees and the absence of expenses related to the Group's 30th Anniversary celebrations.

As a result of the above, profit attributable to owners of the Company in Q2 FY2019 increased by 17.6% to \$5.0 million, from \$4.3 million in Q2 FY2018.

Mr. Ang Kiam Meng (黄建铭), Group CEO and Executive Director of JUMBO, commented, "Revenue from our Singapore operations and franchises have grown steadily. This underscores the success of our expansion plans and the appeal of our various brands under our portfolio. Moving forward, we will continue to take a calibrated approach on our expansion strategy in our pursuit for quality growth in the region."

Dividends

JUMBO's board of directors has declared a tax exempt (one tier) interim dividend of 0.5 cents per ordinary share for Q2 FY2019, which will amount to approximately \$3.2 million.

Outlook

The Group expects to continue to face headwinds such as operating cost pressures and keen competition. While these are industry-wide challenges that invariably affect the F&B sector, the Group believes that it will be able to navigate these challenges, and remain confident that its business will remain stable in the next 12 months.

The 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 restaurants at ION Orchard and Jewel Changi Airport respectively; and Zui Yu Xuan Teochew Cuisine restaurant and Chao Ting Teochew Pao Fan outlet at Far East Square.

Barring unforeseen circumstances, the first Jumbo Seafood restaurant in South Korea is expected to begin operations in third quarter of 2019. Plans are underway for 2 more Tsui Wah Hong Kong-styled “Cha Chaan Teng” outlets in Singapore and Ng Ah Sio Bah Kut Teh outlets in the PRC and Taiwan.

The Group will 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 14 F&B outlets in Singapore and 6 F&B outlets in the PRC, under 6 restaurant brands – *JUMBO Seafood, JPOT, NG AH SIO Bak Kut Teh, Chui Huay Lim Teochew Cuisine, Zui Yu Xuan Teochew Cuisine and Chao Ting*. It also operates 1 Tsui Wah Hong Kong-style "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 restaurant each in Bangkok, Fuzhou, Taipei, Taichung and Ho Chi Minh, and 2 NG AH SIO Bak Kut Teh outlets 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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14 May, 2019

Important Notice

This press release 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 press release has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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