

NEWS RELEASE

JUMBO'S Q3 FY2019 REVENUE GROWS 0.8% TO S\$36.4 MILLION

- *Lifted by three new restaurants/outlets that commenced operations in Q3 FY2019 – Jumbo Seafood at Jewel Changi Airport; Zui Yu Xuan Teochew Cuisine and Chao Ting Teochew Pao Fan at Far East Square*
- *Second Tsui Wah outlet in Singapore; second Jumbo Seafood restaurant in South Korea; and one NG AH SIO Bak Kut Teh outlet each in the PRC and Taiwan planned to open over next 12 months*

Singapore, 6 August 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 S\$36.4 million for the three-month period ended 30 June 2019 (“**Q3 FY2019**”), a 0.8% growth from S\$36.1 million recorded in the previous corresponding period (“**Q3 FY2018**”).

The higher revenue was lifted by improved contributions from the Singapore operations and franchise income. The Singapore operations’ performance was boosted by three new restaurants/outlets that commenced operations in Q3 FY2019, namely, Jumbo Seafood at Jewel Changi Airport, Zui Yu Xuan Teochew Cuisine and Chao Ting Teochew Pao Fan at Far East Square. Revenue was affected by a 4-week closure of the Jumbo Seafood restaurant at The Riverwalk for renovation.

The Group’s gross profit rose 0.9% to S\$22.7 million in Q3 FY2019 from S\$22.5 million a year ago. Correspondingly, gross profit margin was also slightly higher at 62.3% in Q3 FY2019 compared to 62.2% in Q3 FY2018.

In tandem with the higher revenue, cost of sales increased 0.6% to S\$13.7 million in Q3 FY2019 compared to S\$13.6 million in Q3 FY2018.

Employee benefits expense climbed 1.1% to S\$11.5 million in Q3 FY2019 due to higher headcount required to support our restaurants/outlets opening. In relation to the opening of new restaurants/outlets, operating lease expenses rose 4.3% to S\$3.6 million, while depreciation expense increased by 20.7% from \$1.2 million in Q3 FY2018 to S\$1.4 million in Q3 FY2019.

The Group's other operating expenses decreased to S\$3.7 million in Q3 FY2019, a 1.3% drop from S\$3.8 million in Q3 FY2018. This was a result of the absence of marketing expenses related to the Group's 30th Anniversary celebrations in Q3 FY2018 and partially offset by higher professional fees, cleaning supplies and services, and transportation fees.

Share of results of associates was a loss of S\$0.3 million in Q3 FY2019 compared to a profit of S\$65,000 in Q3 FY2018 mainly due to lower performing Jumbo Seafood restaurants in Taiwan.

As a result of the above, profit attributable to owners of the Company in Q3 FY2019 decreased 24.8% to S\$1.7 million from S\$2.2 million in Q3 FY2018.

Mr. Ang Kiam Meng (黄建铭), Group CEO and Executive Director of JUMBO, commented, "We are heartened that our new restaurants/outlets that commenced operations this quarter have been well received, and aim to continue this momentum to prudently expand our network in Singapore and across Asia. In July 2019, we opened our first franchised JUMBO Seafood restaurant in Seoul, South Korea, which has received good reception so far, benefitting from its strategic location in the upscale Gangnam district. This also increases our total number of JUMBO Seafood restaurants across Asia to 18. With a strong portfolio of brands, we look forward to capitalise on opportunities where we can deepen our footprint in markets that we have a presence in, as well as explore new markets where we can introduce our unique Singapore flavours to the world."

Outlook

The Group expects the F&B industry to remain challenging due to operating cost pressures and keen competition. While these are industry-wide challenges, the Group believes that it will be able to navigate these challenges and remain confident that the business will remain stable in the next 12 months.

While the Group looks to increase its presence regionally, the Singapore operations remains at its core. JUMBO looks forward to meaningful contributions from the three new restaurants/outlets that commenced operations this quarter, as well as normalised earnings from Jumbo Seafood restaurant at The Riverwalk, which was closed for four weeks for major renovations in Q3 FY2019 and is now fully operational.

Overseas, we opened a new Jumbo Seafood restaurant in Seoul, South Korea in July 2019 and the third NG AH SIO Bak Kut Teh outlet in Taiwan in June 2019.

Plans are underway for Singapore's second Tsui Wah Hong Kong-styled "Cha Chaan Teng" outlet, a second Jumbo Seafood restaurant in South Korea and one NG AH SIO Bak Kut Teh outlet each to be opened in the People's Republic of China ("PRC") and Taiwan over the next 12 months.

JUMBO will also continue to 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, Hsinchu, Seoul, 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, 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 JUMBO Seafood outlets in Bangkok, Fuzhou, Taipei, Taichung, Seoul, Ho Chi Minh, and NG AH SIO Bak Kut Teh outlets in Taipei and Hsinchu.

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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Important Notice

This press release has been prepared by Jumbo Group Limited (the “Company”) 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 Catalyst. 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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