JUMBO GROUP

BONDING PEOPLE THROUGH FOOD

2015
Annual
Report

ONE OF SINGAPORE'S LEADING **MULTI-DINING CONCEPT F&B ESTABLISHMENTS**

CONTENTS

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this annual report.

This annual report has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of the annual report, including the correctness of any of the statements or opinions made or reports contained in the annual report.

The contact persons for the Sponsor are Mr. Khong Choun Mun, Managing Director, 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.

Corporate Profile

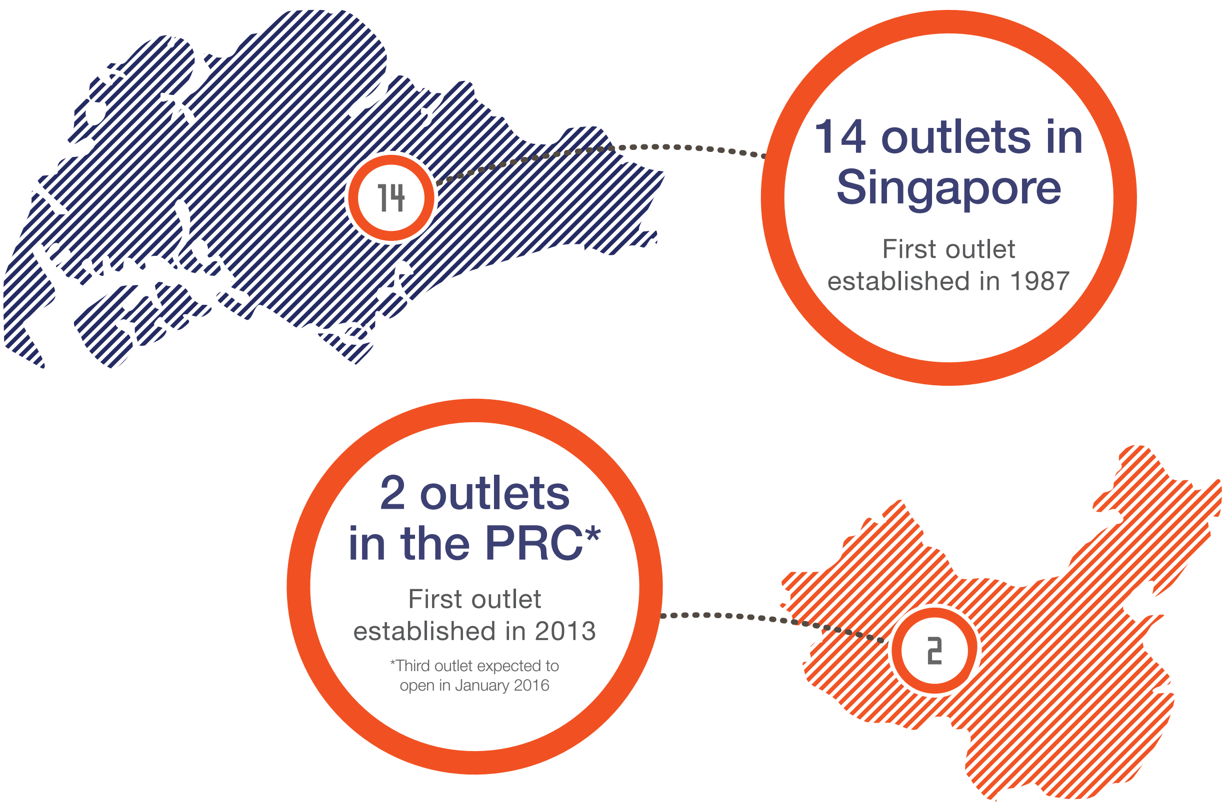
"ONE OF SINGAPORE'S LEADING MULTI-DINING CONCEPT F&B ESTABLISHMENTS"

We have a total of 14 food and beverage ("F&B") outlets in Singapore and two (2) F&B outlets in the People's Republic of China (the "PRC"), under five (5) restaurant brands. With a philosophy of "Bonding People Through Food", we endeavour to provide quality food and service at great value in a comfortable and friendly environment.

We manage two (2) F&B outlets in Singapore that are effectively owned by our associated companies. Further, we hold investments in one (1), and are paid licensing fees in relation to three (3), F&B outlets located in Japan, through our associated company.

We also engage in retail sales of our packaged sauces and spice mixes for some of our signature dishes through our outlets, selected stores, supermarkets, travel agencies and online via the Jumbo eShop, and provide catering services in Singapore.

Our F&B Presence



Our Business Brands

Jumbo Group of Restaurants

JUMBO SEAFOOD

The big name in seafood

Chain of restaurants serving a wide variety of seafood cuisine prepared in classic Singapore and Hong Kong styles.

We own and operate five (5) Jumbo Seafood outlets in Singapore, and two (2) Jumbo Seafood outlets in Shanghai, the PRC (under a joint venture with Together Inc. Pte. Ltd.).

A third Jumbo Seafood outlet in Shanghai, the PRC, is expected to open in January 2016.

JPOT

Hotpot Singapore style

Provides a fresh take on traditional hotpot dining by allowing customers to choose from a range of Singapore style hotpot soup bases and a wide variety of fresh ingredients.

We own and operate three (3) JPOT outlets in Singapore.

NG AH SIO BAK KUT TEH

Taste of heritage

Serves a Singapore Teochew delicacy, “white pepper” bak kut teh, a savoury pork-based soup prepared with roasted white pepper and garlic.

We own and operate four (4) Ng Ah Sio Bak Kut Teh outlets in Singapore.

Our Business Brands

J CAFÉ

Singapore's local delights

Serves popular Singapore street food in a casual and informal setting.

We own and operate one (1) J Café outlet in Singapore.

CHUI HUAY LIM TEOCHEW CUISINE

Authentic Teochew cuisine

Focuses on authentic Teochew cuisine.

We own and operate one (1) Chui Huay Lim Teochew Cuisine restaurant in Singapore.

Managed By Our Group

SINGAPORE SEAFOOD REPUBLIC

Singapore's best-loved seafood brands under one roof

Serves authentic Singapore style seafood cuisine.

There are four (4) Singapore Seafood Republic outlets, with three (3) Singapore Seafood Republic outlets in Japan and one (1) Singapore Seafood Republic outlet in Singapore.

Of the three (3) outlets in Japan, one (1) is owned and operated by Singapore Seafood Republic LLP (incorporated in Japan) and the remaining two (2) are owned and operated by our Japanese partner, M.R.S. Co., Ltd.

YOSHIMARU RAMEN BAR

Home of traditional hakata ramen

Serves traditional hakata ramen, which originates from Hakata, Fukuoka prefecture, Japan.

Our Group holds interests in, and manages the operations of the Yoshimaru Ramen Bar outlet located in Singapore.

Mr. Ang Kiam Meng
CEO & Executive Chairman

CEO & Executive Chairman's Statement

Dear Shareholders,

The Board of Directors is pleased to present Jumbo Group Limited's (the "Company" and together with its subsidiaries and subsidiary entities, the "Group") first Annual Report for the financial year ended 30 September 2015 ("FY2015") since our successful listing on the Catalist of the SGX-ST on 9 November 2015.

Despite poor market sentiments, we were able to garner interest from top tier institutional investors, sophisticated individual investors and the general investing public for our initial public offering ("IPO"). We would like to take this opportunity to thank all shareholders for their confidence in us and their tremendous support for our IPO.

Financial Highlights

The Group reported an increase in revenue of approximately 9.2% or $10.4 million, from $112.4 million in the financial year ended 30 September 2014 ("FY2014") to $122.8 million in FY2015. This increase was attributable to full year contributions from new local outlets which began operations towards the end of FY2014. The Group also registered increased revenue contributions from our Jumbo Seafood (Riverside) and Jumbo Seafood Gallery outlets, mainly due to an increase in the number of customers as well as an increase in average spending per customer. The Group's revenue was further boosted by a full year revenue contribution from our first Jumbo Seafood outlet in Shanghai, the People's Republic of China (the "PRC"), which commenced operations in November 2013. However, the Group reported a net profit after tax of $13.3 million for FY2015, which represented a dip of approximately 3.3%, or almost $0.5 million, from a net profit after tax of $13.8 million recorded in FY2014. This decrease was primarily due to professional and listing fees of approximately $1.0 million incurred in relation to the Group's recent IPO.

Awards and Accolades

Our continuing efforts to strive for higher efficiency, productivity and excellent service have resulted in us winning top awards and accolades. Among others, we were recently awarded the Productivity Award (2015), People Excellence Award (2015), HRM Awards – SME Employer of the Year (2015), Enterprise 50 Award – 2nd place (2015), and Influential Brands Award – Top Brand for Seafood Category (2015). We are also thoroughly honoured, yet humbled, to be listed as one of the 50 iconic places to visit in Singapore on TripAdvisor's Singapore50 list.

Business Strategies and Future Plans

We have a total five (5) restaurant brands, consisting of 14 outlets in Singapore and two (2) Jumbo Seafood outlets in Shanghai, the PRC. We plan to open four (4) more outlets in the PRC and Singapore within the next two (2) years, one of which is the third Jumbo Seafood outlet in Shanghai, the PRC, which is expected to begin operations at the IFC Mall in Pudong in January 2016.

We intend to acquire or lease larger premises to accommodate our Central Kitchen, Research and Development Kitchen, as well as other corporate functions such as our administration, human resource, training and warehousing facilities, and acquire new equipment and machinery for our business and operations. This will help cater to our future growth and development, enhance communication among various departments within the Group and increase our operational efficiency.

We are also exploring opportunities to expand our business through acquisitions, joint ventures or strategic alliances with parties who can strengthen our market position, add value to our existing business, as well as enable us to expand into new businesses. We believe such expansion could bring about greater economies of scale and provide an impetus for future growth.

Dividends

We did not declare any dividends for FY2015. However, as stated in our Offer Document dated 28 October 2015, we intend to recommend and distribute dividends of not less than 30.0% of our net profits attributable to our shareholders in each of the financial years ending 30 September 2016 and 30 September 2017.

Acknowledgement

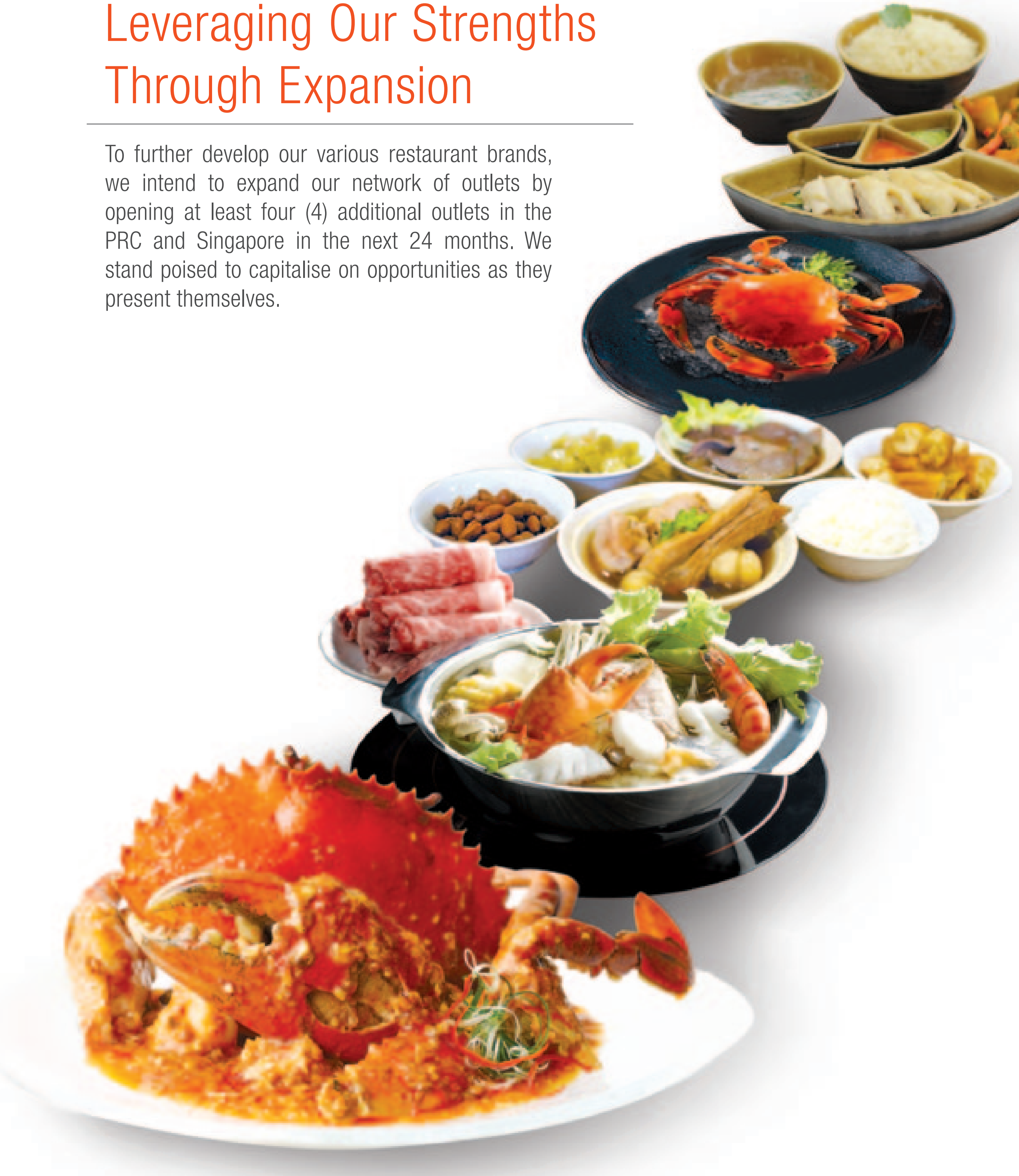
We would like to take this opportunity to express our gratitude to the professional working team, management team and staff for their tremendous efforts in making our IPO a resounding success.

We would also like to pay tribute to all our employees for their tireless efforts in providing great food and service to our customers. Without our employees, the Group will not be where it is today. Last but not least, I would like to thank our loyal customers, shareholders and business partners for their confidence and support all these years. We hope that you will grow with us in our endeavours of attaining greater business excellence.

Mr. Ang Kiam Meng
CEO & Executive Chairman

Leveraging Our Strengths Through Expansion

To further develop our various restaurant brands, we intend to expand our network of outlets by opening at least four (4) additional outlets in the PRC and Singapore in the next 24 months. We stand poised to capitalise on opportunities as they present themselves.



JUMBO GROUP

Awards & Accolades

Enterprise 50 Award 2015
2nd place
Awarded by The Business Times and KPMG, supported by IDA, IE Singapore, Singapore Business Federation and SPRING Singapore

People Excellence Award 2015
Awarded by SPRING Singapore

Singapore Productivity Awards – Excellence in F&B Sector 2015
Awarded by Singapore Business Federation

HRM Awards 2015
SME Employer of the Year
Awarded by HRM Asia

Influential Brands Awards 2015
Top Brand for Seafood Category
Awarded by Brand Alliance Group

Excellent Service Award 2015
Awarded by 7 industry bodies and SPRING Singapore

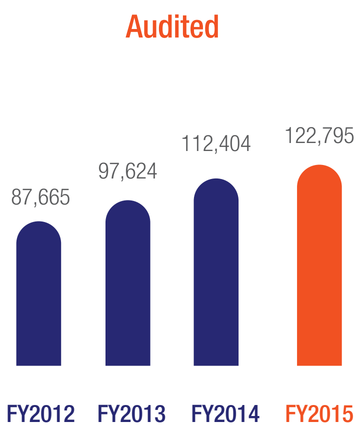
Tatler Beijing & Shanghai Best Restaurants Guide 2014 – Best restaurants in Shanghai

Singapore SME 1000 Company 2015
Awarded by DP Information Network

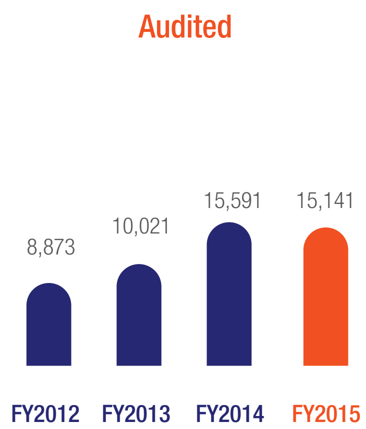
Singapore Prestige Brand Award 2012
Established Brand Category and Heritage Category
Awarded by Small and Medium Enterprises and Lianhe Zaobao

Financial Review

Revenue ($'000)



Profit before tax ($'000)



$'000	FY2012	FY2013	FY2014	FY2015
Revenue	87,665	97,624	112,404	122,795
Profit Before Tax	8,873	10,021	15,591	15,141
Profit for the Year	7,651	9,546	13,778	**13,322**
Net Profit Attributable to				
Owners of the Company	6,596	8,539	11,521	10,600
Fellow Co-operative Venturers	899	1,009	1,828	2,152
Non-controlling Interests	156	(2)	429	570
	7,651	9,546	13,778	**13,322**
Basic and diluted earnings per share (cents)	1.0	1.3	1.8	1.7

For comparative purposes, the earnings per share for the respective financial years have been computed based on the profit attributable to owners of the Company and the Company's post-IPO share capital of 641,333,000 shares.

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Revenue increased by 9.2% or $10.4 million, from $112.4 million in the financial year ended 30 September 2014 ("FY2014") to $122.8 million in the financial year ended 30 September 2015 ("FY2015"), due mainly to increased revenue contributions from new outlets which were opened towards the end of FY2014, namely, our J Café outlet which opened in July 2014, as well as our JPOT outlet at Parkway Parade which opened in September 2014.

The Group also registered increased revenue contributions from our Jumbo Seafood (Riverside) and Jumbo Seafood Gallery outlets in Singapore, mainly due to an increase in customers as well as an increase in average spending per customer and a full year revenue contribution from our Jumbo Seafood outlet in Shanghai, the People's Republic of China (the "PRC").

Raw materials and consumables used

Raw materials and consumables used increased by 6.2% or $2.6 million, from $42.7 million in FY2014 to $45.3 million in FY2015, in line with our increase in revenue.

Changes in inventories

The Group registered a decrease of approximately $0.2 million in the closing balance of our inventories in FY2015, as compared to an increase of approximately $0.7 million in FY2014. The fluctuations in the closing balance of inventories were due to the timing of purchases and consumption of inventories. The significant increase in the closing balance of our inventories in FY2014 was due to bulk purchase of raw materials towards the end of FY2014.

Other income

Other income increased by 23.1% or $0.6 million, from $2.6 million in FY2014 to $3.2 million in FY2015, due mainly to a $0.1 million increase in gain from sale of investments and the receipt of $0.3 million in incentives under the Wage Credit Scheme.

Employee benefits expense

Employee benefits expense increased by 14.2% or $4.4 million, from $30.4 million in FY2014 to $34.8 million in FY2015, due to an increase in headcount, salaries, bonuses and benefits to support our business expansion.

Operating lease expenses

Operating lease expenses increased by 16.8% or $1.5 million, from $8.8 million in FY2014 to $10.3 million in FY2015, due to the opening of our new JPOT outlet at Parkway Parade in Singapore, as well as an increase in rental expenses for our existing outlets. The increase in operating lease expenses was also the result of the leasing of an additional office unit.

Utilities expenses

Utilities expenses increased by 3.5% or $0.1 million, from $3.5 million in FY2014 to $3.6 million in FY2015. This is in line with the increase in number of outlets.

Depreciation expenses

Depreciation expenses increased by 10.5% or $0.4 million, from $3.1 million in FY2014 to $3.5 million in FY2015, due mainly to renovation of premises for new outlets, additions to office and kitchen equipment, furniture and fittings and motor vehicles.

Other operating expenses

Other operating expenses increased by 14.4% or $1.6 million, from $11.5 million in FY2014 to $13.1 million in FY2015, due mainly to a $1.0 million increase in professional fees (incurred in connection with the restructuring exercise and preparation work for the IPO) and a $0.4 million increase in repair and maintenance expenses.

Profit after tax

Profit after tax decreased by 3.3% or approximately $0.5 million, from $13.8 million in FY2014 to $13.3 million in FY2015, due mainly to professional fees incurred for the preparation work for the IPO as well as expenses incurred for our second outlet in Shanghai which commenced operations in August 2015.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets increased by $10.4 million from $57.6 million as at 30 September 2014 to $68.0 million as at 30 September 2015. Cash and cash equivalents increased by $12.6 million. Trade and other receivables increased by $1.3 million. Short-term investments decreased by $3.1 million due to disposal of investments in quoted equity securities in FY2015. The structured fixed deposit matured in August 2015.

Non-current assets

The Group's non-current assets increased by $2.1 million from $13.4 million as at 30 September 2014 to $15.5 million as at 30 September 2015. This was due to an increase of $2.0 million in property, plant and equipment as a result of renovation of premises for new outlets, as well as additions to office and kitchen equipment, furniture and fittings and motor vehicles.

Current liabilities

The Group's current liabilities decreased by $0.4 million from $18.0 million as at 30 September 2014 to $17.6 million as at 30 September 2015. The increase in trade and other payables by $0.3 million was due to an increase in accrued employees' bonuses. The decrease in income tax payable by $0.6 million was mainly due to tax payment.

Non-current liabilities

The Group's non-current liabilities decreased by $0.3 million from $1.0 million as at 30 September 2014 to $0.7 million as at 30 September 2015 due to payment of finance leases and bank borrowings.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before changes in working capital of $18.1 million. Net cash used in working capital amounted to $0.7 million due to an increase in trade and other receivables of $1.3 million which was partially offset by an increase in trade and other payables of $0.3 million and a decrease in inventories of $0.2 million. The Group also paid income tax of $2.5 million. As a result, net cash generated from operating activities was $15.0 million.

Net cash used in investing activities amounted to $2.0 million, due to payments of $5.5 million for the acquisition of plant and equipment, partially offset by proceeds from the disposal of short-term investments in quoted securities of $3.4 million and dividends received from short-term investments in quoted securities of $0.1 million.

Net cash used in financing activities of $0.5 million was due to payment of dividends amounting to $1.0 million, as well as repayment of bank borrowings and finance leases amounting to $0.3 million, partially offset by maturity of a structured fixed deposit of $0.2 million and an additional capital contribution of $0.6 million from non-controlling interest in a subsidiary.

Board of Directors

Mr. Ang Kiam Meng is our CEO and Executive Chairman and was appointed to our Board on 4 February 2015. Mr. Ang has been serving with our Group for over 20 years since 1993. Mr. Ang is responsible for the overall management, operations, strategic planning, and business development of our Group. He has been, and continues to be, instrumental to our Group's continued success and growth. He is responsible for, *inter alia*, setting and executing our Group's vision, mission, core values and goals, driving the operational efficiency of our Group's work processes, monitoring the development and performance of our Group's business, and identifying new opportunities for our Group's expansion domestically and internationally. Prior to joining our Group, Mr. Ang worked with Singapore Technologies Electronics Limited (formerly known as Singapore Electronic & Engineering Limited) from 1986 to 1993, holding various positions such as software engineer and product manager.

Mr. Ang currently also serves as Chairman of the Commerce and Industry Committee and Council Member of the Singapore Chinese Chamber of Commerce & Industry, as well as President Advisor of the Management Committee of the Restaurant Association of Singapore. He sits on the Board of Governors for Hwa Chong Institution, and is the Vice President of the Management Committee for Teochew Poit Ip Huay Kuan.

Mr. Ang obtained a Graduate Diploma in Business Administration from the Singapore Institute of Management in 1991 and graduated with a Bachelor of Arts (majoring in Computer Science) from the University of Texas at Austin (USA) in 1985.

Mdm. Tan Yong Chuan, Jacqueline is our Executive Director and was appointed to our Board on 4 February 2015. Mdm. Tan has been serving with our Group for over 25 years, since 1990. Mdm. Tan has been, and continues to be, crucial to the operations of our Group, overseeing the procurement and purchasing function, merchandising and pricing strategies of our Group, and monitoring the key performance indicators for our Group, such as customer engagement and reviews. Mdm. Tan is also responsible for strategising and implementing key improvements to our Group's various processes, to continually raise our Group's standards of quality and service. Part of her portfolio includes overseeing our Group's business development and expansion activities. Prior to joining our Group, from 1985 to 1987 and from 1989 to 1990, Mdm. Tan worked at Boulevard Hotel Singapore, a member of the Goodwood Group, holding various positions, including Personnel Manager. From 1988 to 1989, Mdm. Tan worked in the administrative department of NHS Scotland.

Mdm. Tan obtained a Graduate Diploma in Personnel Management from the Singapore Institute of Management in 1987, and graduated with a Bachelor of Business Administration from the National University of Singapore in 1984.

Mrs. Christina Kong Chwee Huan is our Executive Director and was appointed to our Board on 22 October 2015. She oversees our Group's human resource and training and development divisions, a role which she has undertaken since joining our Group as Manager of Human Resource and Corporate Affairs in 2008. She also supervises our Group's various training and development programs, strategising to ensure our Group's human resource requirements are met, and manages the employee compensation, benefits and human resource issues of our Group. Mrs. Kong has been, and continues to be, instrumental in the continued refinement and development of our Group's human resource and training and development divisions. Our Group was accredited by both the Singapore Workforce Development Agency and Singapore's Institute of Technical Education as an approved training organisation in 2008. Mrs. Kong began her career as a purchasing executive with our Group from 1993 to 1994. Between 1995 and 2000, she provided educational services, before joining the Ministry of Education as a teacher from 2001 to 2007.

Mrs. Kong is currently a member of the 5S Council of the Restaurant Association of Singapore and the Tripartite Committee for Low-wage Workers and Inclusive Growth, an initiative of the MOM. She is also a Business Excellence Assessor with SPRING Singapore.

Mrs. Kong obtained a Postgraduate Diploma in Education from the Nanyang Technological University in 2004 and graduated with a Bachelor of Science from the University of Birmingham (UK) in 1991. She also obtained a Human Resource Graduate Certification from the Singapore Management University in 2014.

Mr. Tan Cher Liang was appointed our Lead Independent Director on 22 October 2015. He has more than 40 years of experience in corporate audits, general management and business advisory. In May 2000, he co-founded Boardroom Limited, a company listed on the Main Board of the SGX-ST. He was the Managing/ Finance Director of Boardroom Limited from 2000 to 2013, and is currently an Advisor to Boardroom Limited. He was also the Managing Director of Boardroom Business Solutions Pte. Ltd and Boardroom Corporate & Advisory Services Pte. Ltd., from 1992 to 2013 and 1994 to 2013 respectively. Prior to 1992, he worked with Ernst & Young Singapore and its affiliates, since September 1973. Mr. Tan currently serves as an Independent Director of Vibrant Group Limited, Ezra Holdings Limited and Kingsmen Creatives Ltd, which are companies listed on the Main Board of the SGX-ST, as well as Wilton Resources Corporation Limited, which is listed on the Catalist of the SGX-ST. He holds directorships in various charitable organisations such as the D.S. Lee Foundation and Etonhouse Community Fund Limited, and is also a Trustee of Kwan Im Thong Hood Cho Temple. Mr. Tan was awarded the Public Service Medal in 1996.

Mr. Tan was a Fellow of the Association of Chartered Certified Accountants of the United Kingdom from 1982 to 2014, and a member of the Institute of Singapore Chartered Accountants from 1984 to 2014.

Board of Directors

Mr. Richard Tan Kheng Swee was appointed our Independent Director on 22 October 2015. He has more than 11 years of experience in legal practice as a corporate lawyer and is currently a partner at Chris Chong & CT Ho Partnership, a Singapore law firm. His practice includes advising and representing companies in a wide range of commercial transactions such as asset acquisitions, initial public offerings and other fund raising exercises, mergers and acquisitions, corporate advisory and compliance involving both listed and private companies. Prior to Mr. Tan's current appointment, he previously practised in a mid-sized Singapore Law Practice as well as a mid-sized law firm in Victoria, Australia, where he advised on a range of matters in relation to corporate advisory, mergers and acquisitions, cross-border refinancing and intellectual property.

Mr. Tan currently serves as an Independent Director of Mirach Energy Limited and, Dapai International Holdings Co., Limited, which are companies listed on the Main Board of the SGX-ST.

Mr. Tan obtained a Bachelor of Laws (Honours) from the National University of Singapore in 2003, and a Bachelor of Science (Honours) from the University of Melbourne, Australia, in 2000. He is an Advocate & Solicitor of the Supreme Court of Singapore, and a Barrister & Solicitor of the Supreme Court of Victoria, Australia.

Dr. Lim Boh Soon was appointed our Independent Director on 22 October 2015. He has more than 25 years of experience in the banking and finance industry in Asia. Dr. Lim is currently a Director of Arise Asset Management Pte. Ltd. and Isoquant Sdn Bhd. Prior to that, Dr. Lim was the first non- Muslim CEO of Kuwait Finance House (Singapore) Pte. Ltd. from 2007 to 2009, and the first foreign CEO of Vietcombank Fund Management Company in Vietnam from 2005 to 2007. He was a Group Corporate Director of Autron Corporation Limited from 2002 to 2006 (concurrently when he was CEO of Vietcombank Fund Management Company). From 1996 to 1999, he served in various senior management positions with UBS AG, including as a Partner, co-heading UBS Capital Asia Pacific (S) Limited. Dr. Lim currently serves as an Independent Director of CSE Global Limited and Auric Pacific Group Limited, which are companies listed on the Main Board of the SGX-ST, as well as AcrossAsia Limited and SMTrack Berhad, which are companies listed on the Hong Kong Stock Exchange and Bursa Malaysia respectively.

Dr. Lim obtained a Bachelor of Science with First Class Honours and a Doctor of Philosophy in Mechanical Engineering from the University of Strathclyde, United Kingdom, in 1981 and 1985 respectively. He also received a Graduate Diploma in Marketing Management from the Singapore Institute of Management, and a Diploma in Marketing from the Chartered Institute of Management, United Kingdom, in 1991. Dr. Lim is a Fellow of the Singapore Institute of Directors.

Key Management

Mr. Tay Peng Huat was appointed our Chief Financial Officer in December 2014. He is responsible for the overall finance functions and accounting matters of our Group, including implementation of internal controls within our Group, monitoring and reporting on our Group's financial performance and overseeing the preparation of accounts and financial statements of the Group.

Mr. Tay has over 27 years of experience in finance and accounting. Prior to joining our Group, from 2002 to 2013, Mr. Tay held the post of Chief Financial Officer at Beyonics Technology Limited (a company which was listed on the Main Board of the SGX-ST until February 2012). Mr. Tay began his career with Ernst & Young Singapore in 1988 and was an Audit Manager when he left in 1996. From 1996 to 2000, he served as the Group Financial Controller of Electronic Resources Limited (now known as Ingram Micro Asia Limited). Between 2000 and 2002, he held various senior positions in finance and accounting, including Deputy General Manager and Chief Financial Officer of p3.com Pte Ltd (a subsidiary of Pan Pacific Public Company Ltd), Chief Financial Officer at Ezyhealth Asia Pacific Ltd (now known as Wilmar International Ltd), a company listed on the Main Board of the SGX-ST, and Finance Director of Synnex Information Technologies Inc. for its Asia Pacific operations.

Mr. Tay graduated with a Bachelor of Accountancy from the National University of Singapore in 1988. He is a Fellow Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants.

Corporate Social Responsibility

We are committed to making a positive impact on the local communities in the countries we operate in. We have established Jumbo Care, our corporate social responsibility programme, via which we aim to contribute to local communities through supporting programmes and goodwill projects, particularly in the areas of education and community welfare. Some of the causes and organisations we have supported include:

- **Hwa Chong Junior College Alumni** – Jumbo Seafood Charity Golf 2014 organised by Hwa Chong Junior College Alumni, an event to raise funds for Hwa Chong Junior College Alumni Students' Bursary Fund which provides financial support for needy students in their academic endeavours;
- **Children's Cancer Foundation**, which supports children and their families in their battle against childhood cancer and seeks to improve their quality of life;
- **Chinese Development Assistance Council**, which provides assistance to lower income families in the Chinese community;
- **YMCA Singapore**, in support of their work in enriching the lives of the less privileged in Singapore;
- **Metta Welfare Association**, in support of their efforts to promote humanitarian causes;
- **Sweet Charity 2012**, an initiative in support of the National University Hospital's Kids' Heart Fund, which provides financial and surgical support for children with congenital heart disease;
- **Mercy Relief's Earthquake and Tsunami Relief Fund 2011**, an initiative which helped to deliver food and other aid to communities in Japan's Tohoku region stricken by the earthquake and tsunami in March 2011;
- **Manjusri Charity Hole 2009 organised by Manjusri Secondary School**, which aimed to raise funds for Manjusri Secondary School;
- **VJC Fund-raising Campaign 2009**, a campaign to help raise funds in connection with Victoria Junior College's 25th Anniversary; and
- **Christmas is Giving 2008,** an initiative by Kampong Chai Chee Citizen's Consultative Committee Community Development and Welfare.

Corporate Information

BOARD OF DIRECTORS

Mr. Ang Kiam Meng
(CEO and Executive Chairman)

Mdm. Tan Yong Chuan, Jacqueline
(Executive Director)

Mrs. Christina Kong Chwee Huan
(Executive Director)

Mr. Tan Cher Liang
(Lead Independent Director)

Mr. Richard Tan Kheng Swee
(Independent Director)

Dr. Lim Boh Soon
(Independent Director)

AUDIT COMMITTEE

Mr. Tan Cher Liang *(Chairman)*
Mr. Richard Tan Kheng Swee
Dr. Lim Boh Soon

NOMINATING COMMITTEE

Dr. Lim Boh Soon *(Chairman)*
Mr. Tan Cher Liang
Mr. Richard Tan Kheng Swee
Mr. Ang Kiam Meng

REMUNERATION COMMITTEE

Mr. Richard Tan Kheng Swee *(Chairman)*
Mr. Tan Cher Liang
Dr. Lim Boh Soon

COMPANY SECRETARY

Ms. Chee Yuen Li, Andrea, LLB (Honours)

COMPANY REGISTRATION NUMBER

201503401Z

REGISTERED OFFICE

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Website: www.jumbogroup.com.sg

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

M & C Services Private Limited
112 Robinson Road
#05-01
Singapore 068902

AUDITORS

Deloitte & Touche LLP
6 Shenton Way, OUE Downtown 2
#33-00
Singapore 068809

Partner-in-charge: Mr. Darren Ng Meng Chuan
(A member of the Institute of Singapore Chartered Accountants)
Date of Appointment: 29 July 2015

PRINCIPAL BANKERS

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

DBS Bank Ltd
12 Marina Boulevard, Level 43
DBS Asia Central @MBFC Tower 3
Singapore 018982

SPONSOR

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

CORPORATE GOVERNANCE REPORT AND FINANCIAL CONTENTS

Jumbo Group Limited (the "Company") and its subsidiaries (collectively the "Group") are committed to achieving a high standard of corporate governance, and to complying with the Code of Corporate Governance 2012 (the "Code"). The Company believes that good corporate governance provides the framework for an ethical and accountable corporate environment, which will maximise long term shareholders' value and protect the interests of shareholders. This report describes the Group's main corporate governance practices with specific references to the principles of the Code.

The Company also refers to the disclosure guide ("Disclosure Guide") issued by the Singapore Exchange Securities Trading Limited (the "SGX-ST") in January 2015 and has incorporated answers to the questions set out in the Disclosure Guide in this report.

Pursuant to the listing of the Company on the Catalist of the SGX-ST on 9 November 2015 up till the date of this Annual Report, the Group has complied substantially with the principles and guidelines of the Code. Where there are deviations from the recommendations of the Code, we have provided the reasons and explanations in relation to the Company's practices, where appropriate.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the Company. The Board works with management to achieve this objective and management remains accountable to the Board.

The principal role of the Board of Directors (the "Board") is to:

- set and direct strategic plans and performance objectives of the Group;
- review the performance of management;
- establish a proper risk management system to ensure that key potential risks faced by the Group are properly identified and managed;
- conduct periodic reviews of the Group's internal controls, financial performance, compliance practices and resource allocation;
- approve financial plans, annual budgets and proposals for acquisitions, investments and disposals;
- ensure the Group's compliance with good corporate governance practices;
- approve the nominations of Directors and appointment of key management personnel; and
- set the Group's values and standards, and ensure that obligations to shareholders and other stakeholders are understood and met.

Delegation by the Board

Board committees, namely the Nominating Committee (the "NC"), Remuneration Committee (the "RC") and Audit Committee (the "AC") have been constituted to assist the Board in the discharge of specific responsibilities. The duties, authority and accountabilities of each committee are set out in their respective written terms of reference. Further information on the roles and responsibilities of the NC, RC and AC are provided below.

Board Approval

Matters which specifically require the Board's approval are:

- annual budget;
- corporate strategy and business plans;
- major funding proposals and investments;
- the appointment and remuneration packages of the Directors and management;
- the Group's quarterly, half-year and full-year financial result announcements;
- annual report and accounts for each financial year;

- material acquisitions and disposals of assets;
- share issuances, interim dividends and other returns to shareholders; and
- matters involving a conflict of interest for a substantial shareholder or a Director.

While matters relating to the Group's strategies and policies require the Board's direction and approval, management is responsible for the day-to-day operations and administration of the Group.

Board and Board Committees Meetings

The schedule of all Board and Board committees meetings and the Annual General Meeting ("AGM") for each financial year is planned well in advance, in consultation with the Directors. The Board meets at least four (4) times a year at regular intervals and on an ad hoc basis, as and when circumstances require. Tele-conferencing at Board meetings is allowed under the Company's Articles of Association.

As the Company was listed on the Catalist of the SGX-ST on 9 November 2015, there were no Board and/or Board committees meetings held in the financial year ended 30 September 2015 ("FY2015"). Nonetheless, the Board attended various verification and due diligence meetings, together with other professional advisers involved in the initial public offering ("IPO") of shares in the share capital of the Company (where applicable), for the purpose of verifying the information contained in the Company's Offer Document dated 28 October 2015.

Board Orientation and Training

A formal letter of appointment is provided to every new Director, setting out his duties and obligations. A new Director will also be provided briefings to familiarise him with the Group's business, operations, structure and governance practices relating to, *inter alia*, disclosure of interests in the Company's securities, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information. For new Directors who do not have prior experience as a director of a public listed company in Singapore, they will attend training courses organised by the Singapore Institute of Directors or other training institutions in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

All Directors are also provided with briefings and updates in areas such as corporate governance, changes to laws and regulations pertaining to the Group's business and operations, and changes in financial reporting standards, so as to enable them to properly discharge their duties as Board or Board committee members.

Further, in order to provide our Independent Directors with a better understanding of the Group's business and operations, the Company conducts visits to the Group's headquarters, including its Central Kitchen, and its various food and beverage ("F&B") outlets. Directors can also request further briefings or information on any aspect of the Group's business or operations from management.

Board Composition and Guidance

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from management and 10% shareholders[1]. No individual or small group of individuals should be allowed to dominate the Board's decision making.

Board Composition

Currently, the Board comprises six Directors, three of whom are independent, which complies with the Code's guideline on the proportion of Independent Directors on the Board. The Board is constituted as follows:

Mr. Ang Kiam Meng	(CEO and Executive Chairman)
Mdm. Tan Yong Chuan, Jacqueline	(Executive Director)
Mrs. Christina Kong Chwee Huan	(Executive Director)
Mr. Tan Cher Liang	(Lead Independent Director)
Dr. Lim Boh Soon	(Independent Director)
Mr. Richard Tan Kheng Swee	(Independent Director)

As our Independent Directors make up half of the Board, there is a strong and independent element on the Board and no individual or small group of individuals dominate the Board's decision-making process.

1 The term "**10% shareholder**" shall refer to a person who has an interest or interests in one or more voting shares in the Company and the total votes attached to that share, or those shares, is not less than 10% of the total votes attached to all the voting shares in the Company. "**Voting shares**" exclude treasury shares.

Each year, the Board reviews its size and composition, taking into account, *inter alia*, the scope and nature of the Group's business and operations and the benefits of all aspects of diversity, including but not limited to gender, age, educational background and professional experience in order to provide the Board access to an appropriate range and balance of skills, experience and backgrounds.

The Independent Directors contribute accounting and finance knowledge, legal expertise and business management experience to the Group, and provide the Executive Directors and management with diverse and objective perspectives of issues considered by the Board. The Independent Directors also aid in developing the Group's strategic process, reviewing the performance of management in meeting agreed goals and objectives, and monitoring the reporting of performance and operating as an appropriate check and balance. The Independent Directors meet regularly on their own without the presence of the Executive Directors and management and provide feedback to the CEO and Executive Chairman after such meetings.

In addition, the Board places an emphasis on ensuring gender representation and diversity. At present, the Board has two (2) female Executive Directors, namely Mdm. Tan Yong Chuan, Jacqueline, and Mrs. Christina Kong Chwee Huan.

Hence, the Board believes that its current composition and size provides an appropriate balance of skills, experience, gender, and knowledge, which facilitates effective decision-making. The Directors hold core competencies such as accounting, finance and legal expertise, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge.

Board Independence

The independence of each Director is reviewed by the NC on an annual basis based on the guidelines set out in the Code. In determining whether a Director is independent, the NC has considered the guidelines in the Code.

Following its annual review, the Board and the NC are of the view that Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee are independent, and there are no relationships that would otherwise deem any of them not to be independent.

The NC notes that under the Code, the independence of any Director who has served on the Board beyond nine (9) years from the date of first appointment should be subject to particularly rigorous review.

At present, there are no Independent Directors who has served beyond nine (9) years since the date of his first appointment.

Chairman and Chief Executive Officer

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. No one individual should represent a considerable concentration of power.

Mr. Ang Kiam Meng is the CEO and Executive Chairman of the Company. He is responsible for the overall management, operations, strategic planning, and business development of our Group, and ensuring a cohesive working relationship among the Directors, and timeliness of information flow between the Board and the Management.

The CEO and Executive Chairman promotes high standards of corporate governance and leads the Board to ensure its effectiveness on all aspects of its role. As part of his administrative duties, the CEO and Executive Chairman sets the Board meeting agenda in consultation with the senior management and company secretary of the Company, and ensures that adequate time is available for the discussion of all agenda items and that the Directors receive complete, adequate and timely information. He also encourages constructive relations within the Board and between the Board and management and facilitates effective contribution of the Independent Directors. In addition, the Executive Chairman is responsible for ensuring effective communication with shareholders.

In view of the concurrent appointment of Mr. Ang Kiam Meng as the CEO and Executive Chairman, Mr. Tan Cher Liang has been appointed as the Lead Independent Director of the Company for the shareholders in situations where there are concerns or issues which communication with the CEO and Executive Chairman and/or Chief Financial Officer has failed to resolve, or where such communication is inappropriate. Mr. Tan Cher Liang will also take the lead in ensuring compliance with the Code.

The NC, RC and AC are all chaired by the Independent Directors.

The Board is of the view that given the current composition of the Board, there are sufficient safeguards and checks to ensure that the process of decision-making is carried out without the CEO and Executive Chairman being able to exercise considerable power and influence.

Led by the Lead Independent Director, the Independent Directors meet periodically without the presence of the other Directors, and the Lead Independent Director provides feedback to the CEO and Executive Chairman after such meetings as appropriate.

Board Membership

Principle 4: There should be a formal and transparent process for the appointment and reappointment of Directors to the Board.

Nominating Committee

The NC is chaired by Dr. Lim Boh Soon and comprises Mr. Ang Kiam Meng, Mr. Tan Cher Liang, and Mr. Richard Tan Kheng Swee. The majority of the NC members, including the Chairman of the NC, are Independent Directors.

The NC holds at least one (1) meeting in each financial year. The principal functions of the NC in accordance with its written terms of reference are as follows:

- reviewing, assessing and recommending the appointment of new Directors and the re-appointment or re-election of Directors, taking into consideration each Director's contribution, performance and ability to commit sufficient time, resource and attention to the affairs of the Group, and each Director's respective commitment(s) outside the Group;

- determining annually, as and when circumstances require, whether or not a Director is independent;

- developing a process for evaluating the effectiveness of the Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of the Board;

- reviewing the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender, knowledge of the Group and core competencies of the Directors as a group, so as to enable the Board to function competently and efficiently;

- reviewing succession plans for the Directors, in particular, the CEO and Executive Chairman;

- recommending to the Board the induction training programmes for new Directors and reviewing the training and professional development programmes for the Board; and

- determining and recommending to the Board the maximum number of listed company board representations which any Director may hold and disclosing this in the Annual Report.

The date of appointment of each Director is set out below. For the profiles of the Directors, please refer to the section entitled "Board of Directors" of this Annual Report. In addition, information on each Director's shareholding in the Company, if any, is set out in the section entitled "Directors' Statement" of this Annual Report.

Name of Director	Date of appointment
Mr. Ang Kiam Meng	4 February 2015
Mdm. Tan Yong Chuan, Jacqueline	4 February 2015
Mrs. Christina Kong Chwee Huan	22 October 2015
Mr. Tan Cher Liang	22 October 2015
Dr. Lim Boh Soon	22 October 2015
Mr. Richard Tan Kheng Swee	22 October 2015

Directors' Commitments

The NC considers whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, taking into consideration, *inter alia*, the Director's number of listed company board representations and other principal commitments[2]. In addition, the NC will also take into consideration, *inter alia*, a qualitative assessment of each Director's contributions as well as any other relevant time commitments.

The Board is of the view that at present, it would not be meaningful to define the maximum number of listed company directorships which any Director may hold, and has instead tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Group. The NC is satisfied that sufficient time and attention is being given by each of the Directors to the affairs of the Group, notwithstanding that some of the Directors have multiple board representations.

[2] The term "**principal commitments**" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations.

Process for Nomination and Selection of New Directors

Pursuant to the listing of the Company on the Catalist of the SGX-ST on 9 November 2015, it will adopt a comprehensive and detailed process in the selection of new Directors. Candidates will be first sourced through an extensive network of contacts and selected based on, *inter alia*, the needs of the Group and the relevant expertise required. When necessary, the NC may seek the help of external consultant(s) in the search process. In selecting suitable candidates, the Board, in consultation with the NC, will consider the Group's strategic goals, business direction and needs. The Board will also consider gender diversity requirements in seeking any new appointment to the Board. The NC will conduct interviews with the candidates, and nominate the candidate deemed most suitable for appointment to the Board.

Process for Re-nomination and Re-election of Directors

In recommending a Director for re-election to the Board, the NC considers, *inter alia*, his/her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). All Directors submit themselves for re-nomination and re-election at regular intervals and at least once every three (3) years. Pursuant to Article 89 of the Company's Articles of Association, one-third of the Board is to retire from office by rotation and be subject to re-election at the AGM. In addition, Article 88 of the Company's Articles of Association provides that a newly appointed Director must retire and submit himself or herself for re-election at the next AGM following his or her appointment. Thereafter, he/she is subject to be re-elected at least once every three (3) years.

Board Performance

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its Board committees and the contribution by each Director to the effectiveness of the Board.

Board Evaluation Process

The NC assesses and discusses the performance of the Board as a whole and its Board committees on an annual basis. As the Company was recently listed on the Catalist of the SGX-ST on 9 November 2015, it is currently in the process of developing a confidential questionnaire to be completed individually by each Director, with the responses to be presented to the NC for review, following which the NC will recommend to the Board key areas for improvement and follow-up actions.

Each Director will evaluate the performance of the Board taking into account a set of performance criteria which includes, *inter alia*, Board composition and size, shareholders' access to information, Board processes, Board effectiveness, Board standards of conduct and financial performance indicators. The Board is of the view that this set of performance criteria allows for appropriate comparison and addresses how the Directors have enhanced long-term shareholders' value.

Individual Director Evaluation

As the Company was listed on the Catalist of the SGX-ST on 9 November 2015, there will be an assessment conducted by the NC of each Director's contribution to the effectiveness of the Board for the financial year ending 30 September 2016. In evaluating the contribution by each Director, various factors will be taken into consideration, including individual performance of principal functions and fiduciary duties, attendance and participation in meetings and commitment of time to Director's duties. The NC will also consider other contributions by a Director such as providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and the Director's accessibility to management outside of formal Board and/or Board committees meetings. The performance of each Director will be taken into account in re-election or re-appointment.

Access to Information

Principle 6: In order to fulfil their responsibilities, Directors should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

The Company makes available to all Directors the Group's quarterly management accounts and other financial statements, budgets and forecasts, together with other relevant information. In addition, management will inform and/or update the Board of any significant issues and/or matters on a timely basis. The Directors can also seek detailed information from management regarding, *inter alia*, the Group's management accounts, where necessary. Detailed board papers are provided to the Directors before the scheduled meetings so as to enable them to make informed decisions. In respect of budgets, any material variance between the projections and actual results is reviewed by the Board, with management providing explanations and further details as required.

At each quarterly Board meeting, the Company's Executive Directors and management brief the Independent Directors on the state of the Group's business, finance and risks. The Independent Directors are also briefed on key developments in the F&B industry both locally and overseas, where appropriate.

The Directors have also been provided with the contact details of the Company's management and company secretary to facilitate separate and independent access. The company secretary or his/her representative(s) attends all Board and Board committees meetings. Together with management, the company secretary is responsible for ensuring that appropriate board procedures are followed and that the requirements of the Companies Act, Chapter 50 of Singapore and the provisions in the Catalist Rules of the SGX-ST (the "Catalist Rules") are complied with. The appointment and removal of the company secretary is subject to the Board's approval.

The Directors may, in furtherance of their duties, take independent professional advice, if necessary, at the Company's expense.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding his own remuneration.

Level and Mix of Remuneration

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company, and should be appropriate to attract, retain and motivate (a) the Directors to provide good stewardship of the Company, and (b) key management personnel to successfully manage the Company. However, companies should avoid paying more than is necessary for this purpose.

Disclosure on Remuneration

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to Directors and key management personnel, and performance.

Remuneration Committee

The RC is chaired by Mr. Richard Tan Kheng Swee and comprises Mr. Tan Cher Liang and Dr. Lim Boh Soon. All the RC members, including the Chairman, are Independent Directors. The RC holds at least one (1) meeting in each financial year. The principal function of the RC, in accordance with its written terms of reference, is to set the remuneration guidelines and policies of the Group. The RC also administers the Jumbo Employee Share Option Scheme (the "Share Option Scheme") and the Jumbo Performance Share Plan (the "Performance Share Plan"). Details of the Share Option Scheme and Performance Share Plan are contained in the Company's Offer Document dated 28 October 2015.

The Board considers that the members of the RC, who each have years of experience in senior management positions and/or on the boards of various listed companies, collectively have strong management experience and expertise on remuneration issues. If necessary, the RC members may seek expert advice inside and/or outside the Company on the remuneration of all Directors and management.

Procedures for Setting Remuneration

The Company has implemented a formal and transparent procedure and policies in relation to executive remuneration and for determining the remuneration packages of individual Directors. The RC reviews and recommends to the Board a general framework of remuneration and specific remuneration packages for the Board and key management personnel, covering all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind. The RC's recommendations are submitted for endorsement by the entire Board. Each RC member does not participate in discussions, and abstains from decision-making, in relation to any remuneration, compensation, options or any form of benefits to be granted to him.

The RC also reviews the Company's obligations, if any, arising in the event of termination of the Executive Director's and/or key management personnel's contracts of service, to ensure that the termination clauses of such contracts of service are fair and reasonable. Currently, save as required for compliance with the applicable laws of Singapore and the People's Republic of China, we have not set aside any amounts to provide for pension, retirement or similar benefits for our employees.

Remuneration Policies

In order to maximise shareholders' value and promote the long-term success of the Group, the Company seeks to attract, retain and motivate management and employees by offering competitive remuneration packages. The remuneration of our management and employees is set based on, *inter alia*, each individual's scope of responsibilities, prevailing market conditions, and comparable industry benchmarks. The Company rewards management and employees based on achievement of individual performance objectives using indicators such as competencies, key result areas, performance ratings and the Group's financial performance. The Board is of the view that performance-based remuneration will motivate our management and employees to achieve superior performance and promote the long-term growth of the Group.

Under the terms of the service agreements entered into with our Executive Directors, the Company is entitled to reclaim, in full or in part, any incentive bonus paid to the Executive Director, under circumstances of (i) misstatement of financial results, or (ii) misconduct of the Executive Director, resulting, directly or indirectly, in financial loss to the Company, as may be determined by the Board in its absolute discretion.

Executive Directors' and Key Management's Remuneration

Each of our Executive Directors and key management personnel is entitled to, *inter alia*, a base salary and performance-related incentives linked to the financial performance of the Group and the individual's performance, which is assessed based on their respective key performance indicators allocated to them.

Under the terms of their service agreements, each of our Executive Directors is entitled to an incentive bonus based on, *inter alia*, the financial performance of the Group and his individual performance for that year. The terms of our Executive Directors' service agreements and their remuneration packages are subject to review by the RC. There are no excessive or onerous removal clauses in these service agreements.

The following performance conditions have been selected to motivate our Executive Directors and key management personnel to work in alignment with the interests of all stakeholders:

Performance Conditions	Performance Criteria	
Qualitative	(a)	Leadership
	(b)	People development
	(c)	Commitment
	(d)	Teamwork
	(e)	Current market and industry practices
Quantitative	(a)	Profit before tax
	(b)	Relative financial performance of the Group to its industry competitors

Our Executive Directors and key management personnel have met their respective key performance indicators in respect of FY2015, which were based on the Group's profits and IPO milestones prior to the listing of the Company on the Catalist of the SGX-ST on 9 November 2015.

Independent Directors' Remuneration

The Independent Directors have not entered into service agreements with the Company. Each Independent Director receives a basic fee and additional fees for serving on a committee. The fees are determined by the Board, taking into account the effort, time spent and responsibilities of the Director, and subject to approval of the shareholders at each AGM of the Company.

Level and Mix of Remuneration

Details of the remuneration of the Company's Directors and the Group's key management personnel for FY2015 are set out below:

(a) Directors

Name of Director	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration	
	%	%	%	%	%	%	%	Band
Executive Directors								
Mr. Ang Kiam Meng	8*	49	33	10	–	–	100	IV
Mdm. Tan Yong Chuan, Jacqueline	12*	50	38	–	–	–	100	III
Mrs. Christina Kong Chwee Huan	–	65	33	2	–	–	100	II
Independent Directors								
Mr. Tan Cher Liang	100	–	–	–	–	–	100	I
Dr. Lim Boh Soon	100	–	–	–	–	–	100	I
Mr. Richard Tan Kheng Swee	100	–	–	–	–	–	100	I

* Directors' fees paid by subsidiaries of the Company

Note:

(1) Band I: Remuneration of between $0 and $250,000 per annum
Band II: Remuneration of between $250,001 and $500,000 per annum
Band III: Remuneration of between $500,001 and $750,000 per annum
Band IV: Remuneration of between $750,001 and $1,000,000 per annum

The Company has disclosed each Director's and the CEO and Executive Chairman's remuneration as a breakdown (in percentage terms) into fixed salary, variable or performance-related incentives/bonuses, benefits in kind, stock options granted, share-based incentives and awards. No other long-term incentives and no termination, retirement or post-employment benefits have been granted to the Directors. The Company has disclosed each Director's and the CEO and Executive Chairman's remuneration in bands of $250,000. The Company believes that it is not in the Company's interests to disclose the remuneration details (being sensitive and confidential information in a family business) for FY2015, which was prior to the Company's listing on the Catalist of the SGX-ST. Each of our Executive Directors has entered into a service agreement with the Company, which takes effect upon the date of admission of the Company to Catalist. Further details of the service agreements with our Executive Directors which set out the remuneration of our Executive Directors subsequent to the Company's admission to the Catalist of the SGX-ST are set out in the Company's Offer Document dated 28 October 2015.

(b) Key Management Personnel

Remuneration of the key management personnel in bands of $250,000

Name of Key Management Personnel [(1)]	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration
	%	%	%	%	%	%	%
Below $250,000							
Mr. Tay Peng Huat	–	72	27	1	–	–	100

Note:

(1) The Company only has one (1) key management personnel who is not a Director.

The Company has disclosed its key management personnel's remuneration in bands of $250,000 as well as a breakdown (in percentage terms) into fixed salary, variable or performance-related incentives/bonuses, benefits in kind, stock options granted, share-based incentives and awards. There are no other long-term incentives and no termination, retirement or post-employment benefits for the key management personnel.

During FY2015, the following immediate family members of a Director or the CEO and Executive Chairman were employees of the Group:

Name of employees who are immediate family members	Relationship with the Directors or CEO and Executive Chairman of the Group	Remuneration Band
Mr. Ang Hon Nam	Father of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	III
Mr. Ang Kiam Lian	Brother of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	II
Mdm. Wendy Ang Chui Yong	Sister of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	I
Dr. Kong Kim Kok	Spouse of Mrs. Christina Kong Chwee Huan, and brother-in-law of Mr. Ang Kiam Meng	I

Note:

(1) Band I: Remuneration of between $100,001 – $150,000 per annum
Band II: Remuneration of between $150,001 – $200,000 per annum
Band III: Remuneration of between $250,001 – $300,000 per annum

Save as disclosed above, there are no other employees who are related to a Director, whose remuneration exceeds $50,000.

Employee Share Scheme(s)

The Company has adopted the Share Option Scheme and Performance Share Plan. The Share Option Scheme and Performance Share Plan will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. The Share Option Scheme and Performance Share Plan, which form an integral part and important component of the employee compensation plan, are designed to primarily reward and retain Directors and employees whose services are vital to our well-being and success. As the date of this Annual Report, no options and/or awards have been granted under the Share Option Scheme and Performance Share Plan respectively.

Further details of the Share Option Scheme and Performance Share Plan are set out in the Company's Offer Document dated 28 October 2015.

ACCOUNTABILITY AND AUDIT

Accountability

Principle 10: The Board should present a balanced and understandable assessment of the Company's performance, position and prospects.

In line with the Company's disclosure obligations under the Catalist Rules, the Board's policy is that shareholders shall be informed of all major developments relating to the Group. Information is communicated to shareholders on a timely basis through SGXNET and the press. The Board also provides shareholders with a detailed explanation of the Group's performance, position and prospects on a quarterly basis.

Management makes available to all Directors the management accounts and other financial statements, together with all other relevant information of the Group's performance, position and prospects on a quarterly basis and as and when the Directors may require from time to time.

Risk Management and Internal Controls

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The AC and management are responsible for overseeing the Group's risk management framework and policies, including reviewing the Group's business and operational activities to identify areas of significant business risks, and recommending to the Board the appropriate strategy and resources required for managing risks that are consistent with the Group's risk appetite.

Material transactions are subject to risk analysis by the AC and management, and measures to safeguard against significant risks are established prior to undertaking new projects. The AC, together with management, will continue to enhance and improve the existing risk management and internal control systems.

The internal and external auditors also assist in the risk management process by identifying certain areas of concern that are uncovered through financial/audit checks. The key risks facing the Group have been identified and appropriate measures are in place to mitigate such risks.

The Board has received assurance from the CEO and Executive Chairman, and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and regarding the adequacy and effectiveness of the Group's risk management and internal control systems.

Based on the internal controls (including financial, operational, compliance and information technology controls) established and maintained by the Group, work performed by the internal and external auditors, information provided to the AC and the Board and reviews performed by the AC and the Board at least annually, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, and risk management systems are adequate and effective as at the date of this Annual Report.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 12: The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The AC is chaired by Mr. Tan Cher Liang and comprises Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee. All the AC members, including the Chairman, are Independent Directors.

The AC holds at least four (4) meetings in each financial year. The principal functions of the AC in accordance with its written terms of reference are as follows:

- reviewing with the internal and external auditors, the audit plans, scope of work, their evaluation of the Group's system of internal controls, audit reports, their letter(s) to management and management's responses and the results of the audits compiled by the internal and external auditors, and reviewing at regular intervals with the management the implementation by the Group of the internal control recommendations made by the internal and external auditors;

- reviewing the periodic consolidated financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other relevant statutory or regulatory requirements, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of management, where necessary;

- reviewing the effectiveness and adequacy of the Group's risk management and internal controls systems, including financial, operational, compliance and information technology controls, discussing issues and concerns, if any, arising from the internal audits and reporting to the Board at least annually in connection therewith;

- reviewing and discussing with the external and/or internal auditors any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's operating results or financial position and management's response;

- reviewing the adequacy and effectiveness of the Group's internal audit function;

- reviewing the assistance given by the management to the internal and external auditors;

- reviewing the independence and objectivity of the internal and/or external auditors at least annually, considering the appointment or re-appointment of the internal and external auditors and matters relating to the resignation or dismissal of the auditors, and approving the remuneration and terms of engagement of the internal and external auditors;

- reviewing interested person transactions (if any) falling within the scope of the Catalist Rules;

- reviewing the procedures by which employees of our Group and any other persons may, in confidence, report to the Chairman of the AC regarding possible improprieties in matters of financial reporting or other matters and ensuring that there are arrangements in place for independent investigation and follow-up actions thereto;

- undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters requiring the attention of our AC; and

- generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

In addition, the AC is tasked to commission independent investigations of any suspected fraud or irregularity, which has or is likely to have a material impact on the Group's operating results or financial position, and to review the findings of such investigations. The AC has reasonable resources to enable it to discharge its responsibilities properly. It has full access to, and the co-operation of, management and full discretion to invite any Director or key executive to attend its meetings.

The AC also meets with the internal auditors and external auditors without management, at least annually and whenever necessary to review the adequacy of audit arrangements, with emphasis on the scope and quality of audit and the independence and objectivity of the auditors.

The external auditors provides regular updates and briefings to the AC on changes to accounting standards and other financial issues to enable the AC to keep abreast of such changes and its corresponding impact on the financial statements.

External Auditors

The AC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees paid to them. The AC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2015. A breakdown of the audit and non-audit fees paid to the Company's auditors is disclosed on page 76 of this Annual Report.

Having undertaken a review of the non-audit services provided during the year, the AC remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services which they provide to the Group as these services were provided solely in connection with the Company's IPO. Moreover, the AC is satisfied that these services were provided efficiently by the external auditors as a result of their existing knowledge of the business.

The Company has complied with Rules 712 and 715 of the Catalist Rules in the appointment of its external auditors.

Whistle-blowing Policy

The Company has implemented a whistle-blowing policy, which provides the Group's employees and any other persons with well-defined and accessible channels through which they may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Whistle-blowing concerns may be reported in person or in writing via electronic mail.

The Group is committed to a high standard of ethical conduct and adopts a zero tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle blowers. Anonymous disclosures will be accepted and anonymity honoured.

The AC reviews such policy to ensure that arrangements are in place for independent investigation of such matters and for appropriate follow-up action.

Internal Audit

Principle 13: The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

We have engaged KPMG Services Pte. Ltd. ("KPMG") as our internal auditors. KPMG has confirmed that it is a certified public accounting firm and a member of the Institute of Internal Auditors ("IIA"). In performing the internal audit, KPMG applied the Standards for the Professional Practice of Internal Auditing set by IIA.

The Board recognises that it is responsible for maintaining a sound system of internal controls to safeguard shareholders' investments and the Group's business and assets. The AC approves the hiring, removal, evaluation and compensation of the internal auditors. The internal auditors reports directly to the Chairman of the AC on audit matters and to the management on administrative matters, and has full access to the documents, records, properties and personnel (including the AC) of the Group. The audit plan is submitted to the AC for approval prior to commencement of the internal audit.

The AC reviews the adequacy and effectiveness of the internal audit function at least annually to, *inter alia*, ensure that (i) the internal audit function is adequately resourced and has appropriate standing within the Group; (ii) the majority of the identified risks are audited by cycle; (iii) the recommendations of the internal auditors are properly implemented; and (iv) the effectiveness and independence of the internal auditors.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Shareholder Rights

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Communication with Shareholders

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

Conduct of Shareholder Meetings

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the Company.

The Board is mindful of the obligation to provide regular, effective and fair communication with shareholders. Information is communicated to the shareholders on a timely basis. The Company does not practise selective disclosure. Information will be publicly released via SGXNET and/or our corporate website before the Company meets with any group of investors or analysts. The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules, and are also made available to the public via the Company's website.

The Board welcomes the views of shareholders on matters affecting the Group, whether at shareholders' meetings or on an ad-hoc basis. The Board will also engage in investor relation activities to allow the Company to engage shareholders as and when it deems necessary and appropriate.

Shareholders are informed of shareholders' meetings through notices published in the newspapers, reports and/or circulars provided to all shareholders. Each item of special business included in the notices of shareholders' meetings is accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions are proposed for substantially separate issues at shareholders' meetings for approval. "Bundling" of resolutions are kept to a minimum and are done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved. All resolutions are to be voted by poll, following which the detailed results showing, *inter alia*, the number of votes cast for and against each resolution and the respective percentages will be announced.

The CEO and Executive Chairman and chairpersons of the AC, NC and RC will be available at shareholders' meetings to answer queries. The external auditors will also be present at the AGM to assist the Directors in addressing any relevant queries by shareholders regarding the conduct of audit and the preparation and content of the auditors' report. The AGM is the principal forum for dialogue with shareholders.

In addition, the Company's investor relations team is led by the Chief Financial Officer who is responsible for integrating finance, accounting, corporate communications and legal compliance to enable effective communication between the Company and investors. The Company holds briefings to present its financial results for the media and analysts, when requested. Outside of the financial announcement periods, when necessary and appropriate, management will meet investors and analysts who like to seek a better understanding of the Group's business and operations. This also enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company on investors' views. When opportunities arise, the Company conducts media interviews to give its shareholders and the public a better perspective of the Group's business, operations and prospects.

The Articles of Association of the Company allow a member of the Company to appoint one or two proxies to attend and vote instead of the member. Voting in absentia, including voting by mail, electronic mail or facsimile, may only be possible following careful study to ensure the integrity of the information and authentication of the identity of member through the web is not compromised and is also subject to legislative amendment to recognise electronic voting.

The minutes of general meetings, which include substantial and relevant questions and comments from shareholders and responses from the Board and management, are available to shareholders upon written request.

The Company currently do not have a fixed dividend policy. The Board will not be recommending any dividends for FY2015, as it was only recently listed on the Catalist of the SGX-ST on 9 November 2015. Any declaration and payment of dividends in the future will depend on, *inter alia*, our Group's operating results, financial conditions, cash flows, expected future earnings, capital expenditure programme(s) and investment plans, the terms of our borrowing arrangements (if any) and other factors deemed relevant by our Directors. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future.

Subject to the above and approval by shareholders (where necessary), our Directors intend to recommend and distribute dividends of not less than 30.0% of our net profits attributable to our shareholders in each of the financial years ending 30 September 2016 and 30 September 2017 ("Proposed Dividend"). However, investors should note that all the foregoing statements, including the statements on the Proposed Dividend, are merely statements of our present intention and do not constitute a legally binding obligation on the part of our Company in respect of the payment of any dividends, which may be subject to modification (including any reduction or non-declaration thereof) in our Directors' sole and absolute discretion.

DEALINGS IN SECURITIES

(Rule 1204(19) of the Catalist Rules)

The Company has adopted an internal compliance code on dealings in the Company's securities which is notified to all Directors and employees of the Group, pursuant to Rule 1204(19) of the Catalist Rules. The Company and all Directors, officers and employees of the Group are prohibited from dealing in the Company's securities during the period commencing two (2) weeks before the announcement of the Group's quarterly and half-year financial results, and the period commencing one (1) month before the announcement of its full-year financial results.

All Directors, officers and employees are expected to observe insider trading laws at all times. In particular, they are aware that dealing in the Company's securities, when they are in possession of unpublished material price-sensitive information in relation to those securities, is an offence. Our Directors, officers and employees are also discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

(Rules 907 and 1204(17) of the Catalist Rules)

The Group has adopted an internal policy in respect of any transaction with interested party within the definition of Chapter 9 of the Catalist Rules and has in place procedures for review and approval of all interested person transactions. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, abstains from decision-making, and refrains from exercising any influence over other members of the Board.

The Group does not have a general mandate for interested person transactions. Details of the interested person transactions for FY2015 pursuant to Rule 907 of the Catalist Rules are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) $'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000) (1) $'000
Mr. Ang Kiam Meng		
– Provision of indemnities in relation to security bonds for foreign workers employed by the Group (2)	385	Nil
Mdm. Tan Yong Chuan, Jacqueline		
– Provision of indemnities in relation to security bonds for foreign workers employed by the Group (2)	385	Nil

Note:

(1) The Group has not obtained a general mandate from shareholders for interested person transactions under Rule 920 of the Catalist Rules of SGX-ST.

(2) There is no consideration paid to Mr. Ang Kiam Meng and Mdm. Tan Yong Chuan, Jacqueline for the provision of indemnities in relation to security bonds for foreign workers employed by the Group.

The Company has established procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and the transactions will not be prejudicial to the interest of the Group and its minority shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the AC review, on a quarterly basis, interested person transactions entered into by the Group (if any).

MATERIAL CONTRACTS

(Rule 1204(8) of the Catalist Rules)

Save for the service agreements between the Company and the Executive Directors and disclosures in the sections entitled "Interested Person Transactions" and the "Directors' Statement" of this Annual Report, and the Financial Statements of the Group, there were no other material contracts of the Company and its subsidiaries involving the interests of the CEO and Executive Chairman, any Directors or controlling shareholders which subsisted at the end of the financial year or have been entered into since the end of the previous financial year.

NON-SPONSOR FEES

(Rule 1204(21) of the Catalist Rules)

With reference to Rule 1204(21) of the Catalist Rules, the nature of the amount of fees for non-sponsor services rendered by the Company's sponsor, United Overseas Bank Limited, and its associates to the Group during FY2015 and up till the date of this Annual Report are as follows:

	$'000
Underwriting and placement commission in relation to the IPO	640
Receiving bank fees in relation to the IPO	20
	660

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

(Rule 1204(22) of the Catalist Rules)

Pursuant to the Company's IPO, the Company received net proceeds from the IPO of approximately $37.5 million (the "Net Proceeds"). As at the date of this Annual Report, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document) ($'000)	Net Proceeds utilised ($'000)	Balance of Net Proceeds ($'000)
Establish new outlets and refurbish existing outlets	12,000	–	12,000
Acquire new premises, equipment and machinery	11,500	–	11,500
Working capital and general corporate purposes	14,000	(10,000)[1]	4,000
	37,500	(10,000)	27,500

Note:

(1) For the Group's operating expenses.

Directors' Statement

The directors present their statement together with the audited combined financial statements of the Group for the financial year ended 30 September 2015 and statement of financial position and statement of changes in equity of the Company for the financial period from 4 February 2015 (date of incorporation) to 30 September 2015.

In the opinion of the directors, the combined financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 36 to 78 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at September 30, 2015, and the financial performance, changes in equity and cash flows of the Group for the year then ended and changes in equity of the Company for the financial period from 4 February 2015 (date of incorporation) to 30 September 2015, and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this report are:

Ang Kiam Meng	(Appointed on 4 February 2015)
Tan Yong Chuan, Jacqueline	(Appointed on 4 February 2015)
Christina Ang Chwee Huan	(Appointed on 22 October 2015)
Tan Cher Liang	(Appointed on 22 October 2015)
Richard Tan Kheng Swee	(Appointed on 22 October 2015)
Lim Boh Soon	(Appointed on 22 October 2015)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act except as follows:

	Shareholdings registered in the name of directors		
	At beginning of period or date of appointment, if later	**At end of year**	**At 21 October 2015**
Name of directors and company in which interests are held			
Jumbo Group Limited			
(Ordinary shares)			
Ang Kiam Meng	1	1	–
Tan Yong Chuan, Jacqueline	1	1	–

4 SHARE OPTIONS

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any other corporation in the Group were granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any other corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company or any other corporation in the Group under option.

5 AUDIT COMMITTEE

The Audit Committee of the Company, consisting all independent and non-executive directors, is chaired by Mr Tan Cher Liang, and includes Mr Richard Tan Kheng Swee and Dr Lim Boh Soon. The Audit Committee has met two times since the date of incorporation and has reviewed the following, where relevant, with the executive directors and external auditors of the Company:

(a) The audit plans, scope of work, evaluation of the adequacy of the internal controls, audit reports, management letters on internal controls and management response;

(b) The adequacy and effectiveness of the Group's internal controls addressing financial, operational, compliance and information technology risks prior to the incorporation of such results in the annual report;

(c) The Group's financial and operating results and accounting policies;

(d) The financial statements of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;

(e) The annual announcements as well as the related press releases on the results and financial position of the Company and the Group;

(f) The co-operation and assistance given by the management to the Group's external auditors;

(g) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section 8: Rules of Catalist of the Singapore Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and

(h) The re-appointment of the external and internal auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE BOARD OF DIRECTORS

Ang Kiam Meng
Director

Tan Cher Liang
Director

7 January 2016

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of Jumbo Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the combined statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2015, and the combined statement of profit or loss and other comprehensive income, combined statement of changes in equity and combined statement of cash flows of the Group for the year then ended and the statement of changes in equity of the Company for the financial period from 4 February 2015 (date of incorporation) to 30 September 2015, and a summary of significant accounting policies and other explanatory information, as set out on pages 36 to 78.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation of combined financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of combined financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2015 and the financial performance, changes in equity and cash flows of the Group for the year then ended and changes in equity of the Company for the financial period from 4 February 2015 (date of incorporation) to 30 September 2015.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

7 January 2016

Combined Statements of Financial Position

30 September 2015

	Note	Group 2015	Group 2014	Company 2015
		$	$	$
ASSETS				
Current assets				
Cash and cash equivalents	6	60,060,873	47,437,976	10,002
Trade and other receivables	7	6,601,426	5,345,814	343,145
Short-term investments	8	329,202	3,390,814	–
Inventories	9	1,034,377	1,215,741	–
Structured fixed deposit	15	–	200,000	–
Total current assets		68,025,878	57,590,345	353,147
Non-current assets				
Investments in associates	10	414,973	358,158	–
Available-for-sale investment	11	75,000	75,000	–
Goodwill	12	782,088	782,088	–
Property, plant and equipment	13	13,980,619	11,965,658	–
Club memberships	14	238,300	238,300	–
Total non-current assets		15,490,980	13,419,204	–
Total assets		83,516,858	71,009,549	353,147
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	16(a)	14,166,361	13,830,557	828,800
Due to a subsidiary	16(b)	–	–	613,779
Finance leases	17	72,741	113,879	–
Bank borrowings	18	109,298	116,412	–
Provision for reinstatement costs	19	1,476,967	1,569,350	–
Income tax payable		1,751,767	2,392,796	–
Total current liabilities		17,577,134	18,022,994	1,442,579
Non-current liabilities				
Finance leases	17	62,259	200,704	–
Bank borrowings	18	586,778	674,582	–
Deferred tax liability	20	93,348	93,348	–
Total non-current liabilities		742,385	968,634	–
Capital and reserves				
Share capital	21	2,595,940	2,595,940	2
Currency translation reserve		237,261	22,635	–
Equity reserve	22	94,702	94,702	–
Retained earnings/(Accumulated losses)		53,995,458	44,395,799	(1,089,434)
Equity attributable to owners of the Company		56,923,361	47,109,076	(1,089,432)
Fellow co-operative venturer's interests	23	5,440,357	3,288,106	–
Non-controlling interests		2,833,621	1,620,739	–
Total equity		65,197,339	52,017,921	(1,089,432)
Total liabilities and equity		83,516,858	71,009,549	353,147

See accompanying notes to financial statements.

Combined Statements of Profit or Loss and Other Comprehensive Income

Year ended 30 September 2015

	Note	Group 2015	Group 2014
		$	$
Revenue	24	122,794,613	112,404,011
Raw materials and consumables used		(45,339,011)	(42,697,103)
Changes in inventories		(181,364)	678,680
Other income	25	3,160,336	2,567,133
Employee benefits expense		(34,751,499)	(30,443,058)
Operating lease expenses		(10,334,848)	(8,846,096)
Utilities expenses		(3,630,833)	(3,506,816)
Depreciation expense	13	(3,455,276)	(3,127,188)
Other operating expenses	26	(13,145,585)	(11,496,035)
Finance costs		(32,269)	(30,544)
Share of results of associates	10	56,815	87,686
Profit before tax		15,141,079	15,590,670
Income tax expense	27	(1,819,251)	(1,813,115)
Profit for the year	29	13,321,828	13,777,555
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		287,590	19,309
Other comprehensive income for the year, net of tax		287,590	19,309
Total comprehensive income for the year		13,609,418	13,796,864
Profit attributable to:			
Owners of the Company		10,599,659	11,520,661
Fellow co-operative venturer		2,152,251	1,827,744
Non-controlling interests		569,918	429,150
		13,321,828	13,777,555
Total comprehensive income attributable to:			
Owners of the Company		10,814,285	11,535,446
Fellow co-operative venturer		2,152,251	1,827,744
Non-controlling interests		642,882	433,674
		13,609,418	13,796,864
Basic and diluted earnings per share (cents)	31	1.7	1.8

See accompanying notes to financial statements.

Combined Statements of Changes in Equity

Year ended 30 September 2015

	Share capital	Currency translation reserve	Equity reserve	Retained earnings	Equity attributable to owners of the Company	Fellow co-operative venturer's interests	Non-controlling interests	Total
	$	$	$	$	$	$	$	$
Group								
Balance at 1 October 2013	2,595,940	7,850	94,702	34,175,138	36,873,630	1,460,362	1,353,175	39,687,167
Total comprehensive income for the year:								
Profit for the year	–	–	–	11,520,661	11,520,661	1,827,744	429,150	13,777,555
Other comprehensive income	–	14,785	–	–	14,785	–	4,524	19,309
Transactions with owners, recognised directly in equity:								
Dividend paid to owners of the Company (Note 32)	–	–	–	(1,300,000)	(1,300,000)	–	–	(1,300,000)
Dividend paid to non-controlling interests	–	–	–	–	–	–	(166,110)	(166,110)
Balance at 30 September 2014	2,595,940	22,635	94,702	44,395,799	47,109,076	3,288,106	1,620,739	52,017,921
Total comprehensive income for the year:								
Profit for the year	–	–	–	10,599,659	10,599,659	2,152,251	569,918	13,321,828
Other comprehensive income	–	214,626	–	–	214,626	–	72,964	287,590
Transactions with owners, recognised directly in equity:								
Non-controlling interest arising from changes in interest in a subsidiary	–	–	–	–	–	–	570,000	570,000
Dividend paid to owners of the Company (Note 32)	–	–	–	(1,000,000)	(1,000,000)	–	–	(1,000,000)
Balance at 30 September 2015	2,595,940	237,261	94,702	53,995,458	56,923,361	5,440,357	2,833,621	65,197,339

	Share capital	Accumulated losses	Net
	$	$	$
Company			
Issuance of shares at date of incorporation (Note 21)	2	–	2
Total comprehensive loss for the period	–	(1,089,434)	(1,089,434)
Balance at 30 September 2015	2	(1,089,434)	(1,089,432)

See accompanying notes to financial statements.

	Group	
	2015	2014
	$	$
Operating activities		
Profit before income tax	15,141,079	15,590,670
Adjustments for:		
Depreciation expense	3,455,276	3,127,188
Interest income	(100,990)	(34,226)
Finance costs	32,269	30,544
Dividend income from an associate	–	(80,000)
Dividend income from short-term investments	(122,227)	(114,873)
Loss on property, plant and equipment written off	40,112	–
Gain on disposal of short-term investments	(133,750)	–
Gain on disposal of property, plant and equipment	(4,135)	(13,680)
Fair value gains on short-term investments	(145,939)	(91,188)
Share of results of associates	(56,815)	(87,686)
Operating cash flows before movements in working capital	18,104,880	18,326,749
Trade and other receivables	(1,255,612)	(736,232)
Inventories	181,364	(678,680)
Trade and other payables	335,804	185,021
Cash generated from operations	17,366,436	17,096,858
Interest income	100,990	34,226
Finance costs	(32,269)	(30,544)
Income tax paid	(2,460,280)	(770,428)
Net cash from operating activities	14,974,877	16,330,112
Investing activities		
Acquisition of property, plant and equipment [Note (a)]	(5,469,285)	(3,558,494)
Proceeds from disposal of assets held for sale	–	3,750
Proceeds from disposal of property, plant and equipment	15,204	26,738
Proceeds from disposal of short-term investments	3,359,750	–
Dividend income from short-term investments	122,227	114,873
Dividend income from an associate	–	80,000
Acquisition of club membership	–	(203,300)
Acquisition of additional investment in an associate	–	(44,000)
Acquisition of available-for-sale investment	–	(75,000)
Acquisition of short-term investments	(18,449)	(1,001,784)
Net cash used in investing activities	(1,990,553)	(4,657,217)

	Group 2015	Group 2014
	$	$
Financing activities		
Additional capital contribution from non-controlling interest in a subsidiary	570,000	–
Dividend paid to owners of the Company	(1,000,000)	(1,300,000)
Dividend paid to non-controlling interests	–	(166,110)
Withdrawal of structured fixed deposit	200,000	–
Repayment of bank borrowings	(94,918)	(91,548)
Repayment of finance leases	(179,583)	(128,711)
Net cash used in financing activities	(504,501)	(1,686,369)
Net increase in cash and cash equivalents	12,479,823	9,986,526
Cash and cash equivalents at beginning of the year	47,437,976	37,435,304
Effect of foreign exchange rate changes	143,074	16,146
Cash and cash equivalents at end of the year (Note 6)	60,060,873	47,437,976

Note (a):

	2015	2014
Purchase of property, plant and equipment	(5,376,902)	(3,679,294)
Add non-cash movement:		
Assets purchase under finance leases (Note 17)	–	25,000
Provision for reinstatement costs (Note 19)	(92,383)	95,800
	(5,469,285)	(3,558,494)

See accompanying notes to financial statements.

1 GENERAL

The Company (Registration No. 201503401Z) is incorporated in the Republic of Singapore with its principal place of business and registered office at 7 Kaki Bukit Road 1, #05-01/02, Singapore 415937. The financial statements are expressed in Singapore dollars.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are disclosed below.

The Restructuring Exercise

The Company and Group underwent the following as part of its planned listing on the Catalist Board ("Catalist") of the Singapore Exchange Securities Trading Limited ("SGX-ST"):

(a) Incorporation of the Company

The Company was incorporated on 4 February 2015 in the Republic of Singapore in accordance with the Companies Act as a private company limited by shares with an issued and paid-up share capital of $2 comprising one share held by each of Mr. Ang Kiam Meng and Mdm. Jacqueline Tan Yong Chuan.

(b) Restructuring Deed

The shareholders of Jumbo Seafood Pte. Ltd. ("JSPL") and the shareholders of Jardine Enterprise Pte Ltd ("JEPL") executed a restructuring deed dated 12 August 2015 ("Restructuring Deed").

Pursuant to the Restructuring Deed, the parties agreed, inter alia, to procure:

(i) the declaration and payment of the proposed Conditional Interim Dividend (as described below);

(ii) the completion of the proposed Share Swap (as described below); and

(iii) the completion of the issue of shares to the Fellow Co-operative Venturers and non-controlling interests (as described below).

(c) Conditional Interim Dividend

Conditional interim tax exempt dividends were declared out of the profits available for distribution of (i) JSPL to the JSPL shareholders; (ii) JEPL to the JEPL shareholders; and (iii) Ng Ah Sio Investments Pte Ltd to its shareholders on a date not later than five (5) business days after the date of determination of the issue price of the new shares to be issued for the initial public offer ("IPO") of the Company (the "Conditional Interim Dividend").

The Conditional Interim Dividend of $51.7 million will be paid on a date within five (5) business days after the Company is admitted to Catalist.

(d) Share Swap

Pursuant to an agreement between the Company, the JSPL shareholders and the JEPL shareholders dated 12 August 2015, the Company acquired all of the issued and paid-up share capital of JSPL and JEPL for an aggregate purchase consideration of $5.4 million, based on a willing buyer-willing seller basis, with the consideration satisfied by the allotment and issue of an aggregate of 725,330 new shares to the JSPL shareholders, and an aggregate of 325,872 new shares to the JEPL shareholders (the "Share Swap"). Further, the JEPL shareholders and certain JSPL shareholders directed certain new shares to be issued and allotted to JBO Holdings Pte Ltd ("JBO") instead.

(e) Sub-Division of shares

On 19 October 2015, the shareholders of the Company approved the sub-division of 1,051,204 shares in the capital of the Company into 463,929,800 shares (the "Sub-Division").

1 GENERAL (cont'd)

(e) Sub-Division of shares (cont'd)

Following the completion of the Sub-Division, the shareholders of the Company are as follows:

Shareholders	Number of shares	Shareholding (%)
JBO	371,582,400	80.1
Mr. Tan Gee Jian	42,254,900	9.1
Mr. See Boon Huat	28,169,800	6.1
Mr. Koh Ah Say @ See Boon Chye	14,084,700	3.0
Other Employees [1]	7,838,000	1.7
	463,929,800	100.0

[1] Comprises 16 employees of the Group, each holding between 0.04% and 0.24% of the Company's post-invitation share capital.

(f) Transfer of fellow co-operative venturers' interests

The Group entered into various agreements with (i) Palm Beach Seafood Restaurant Pte Ltd; (ii) DWKB LLP; (iii) Mr. Ng Kok Kiang; and (iv) Mr. Chua Seng Chong and/or Mdm. Chan Hwee Eng (as the administrator of the estate of Mr Chua Seng Chong (collectively, the "Fellow Co-operative Venturers") to transfer, inter alia, the remaining interests which the Group did not hold in each of Jumbo Seafood (Riverside), Jumbo Seafood Gallery, JPOT (Vivocity) and Chui Huay Lim Teochew Cuisine. Subsequent to year end, the Group paid an aggregate consideration of approximately $3.73 million, with the consideration satisfied by the allotment and issue of an aggregate of 13,476,200 new shares at $0.25 per share ("Issue Price") and $0.36 million cash to the Fellow Co-operative Venturers.

(g) Acquisition of remaining shares in Ng Ah Sio Investments Pte. Ltd.

The Group entered into an agreement with NSH Holdings Pte. Ltd. to, inter alia, acquire 49.0% of the equity interests in Ng Ah Sio Investments Pte Ltd from NSH Holdings Pte. Ltd. Subsequent to the year end, the Group paid an aggregate consideration of $0.81 million via the issuance of 3,594,000 new shares at a discount of 10.0% to the Issue Price.

Basis of preparation of the combined financial statements

The Group resulting from the above Restructuring Exercise is regarded as a continuing entity as the Group is ultimately controlled by the common shareholders both before and after the Restructuring Exercise. Accordingly, although the Company is only incorporated on 4 February 2015, the combined financial statements of the Group have been prepared using the principles of merger accounting on the basis that the Restructuring Exercise transfers the equity interest in the combining entities under the common control to the Company has been effected for the years ended 30 September 2014 and 2015.

Details of the Company's subsidiaries and co-operative ventures are as follows:

Name of subsidiaries and co-operative ventures	Principal activities	Country of incorporation and operation	Effective equity interest of the Company	
			2015	2014
			%	%
Subsidiaries held by the Company				
Jumbo Seafood Pte. Ltd. [1]	Operation and management of restaurants and investment holding	Singapore	100	100
Jardine Enterprise Pte Ltd [1]	Investment holding	Singapore	100	100
Subsidiary held by Jumbo Seafood Pte. Ltd.				
Jumbo Group of Restaurants Pte. Ltd. [1]	Operation and management of restaurants and investment holding	Singapore	100	100

1 GENERAL (cont'd)

Name of subsidiaries and co-operative ventures	Principal activities	Country of incorporation and operation	Effective equity interest of the Company	
			2015	2014
			%	%
Subsidiaries held by Jumbo Group of Restaurants Pte. Ltd.				
Jumbo F&B Services Pte. Ltd. (1)	Investment holding	Singapore	100	100
Ng Ah Sio Investments Pte. Ltd. (1)	Operation and management of restaurants	Singapore	51	51
Subsidiaries held by Ng Ah Sio Investments Pte. Ltd.				
Ng Ah Sio Pte. Ltd. (1)	Manufacturer of food stuff	Singapore	51	51
Subsidiaries held by Jumbo F&B Services Pte. Ltd.				
JBT (China) Pte. Ltd. (1)	Investment holding	Singapore	70	70
Jumbo F&B Services (Shanghai) Co Ltd (2)	Management of seafood restaurant	People's Republic of China	100	100
Subsidiary held by JBT (China) Pte. Ltd.				
JBT F&B Management (Shanghai) Co Ltd (2)	Operation and management of seafood restaurant	People's Republic of China	70	70
Co-operative ventures held by the Jumbo Group of Restaurants Pte. Ltd.				
Jumbo Seafood (Riverside) (3)	Operation and management of seafood restaurant	Singapore	65	65
Jumbo Seafood Gallery (3)	Operation and management of seafood restaurant	Singapore	65	65
JPOT	Operation and management of restaurant	Singapore	100	100
Chui Huay Lim Teochew Cuisine	Operation and management of restaurant	Singapore	100	100

Note:

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by an overseas member firm of Deloitte Touche Tohmatsu Limited for consolidation purposes.

(3) Changes for interests in co-operative ventures are disclosed in Note 23.

1 GENERAL (cont'd)

Details of non-wholly owned subsidiaries that have material non-controlling interests to the Group are as follows:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2015	2014	2015	2014	2015	2014
		%	%	$	$	$	$
JBT (China) Pte Ltd	Singapore	30	30	191,286	32,361	1,575,748	820,255
Ng Ah Sio Investments Pte. Ltd.	Singapore	49	49	378,632	396,789	1,257,873	800,484
				569,918	429,150	2,833,621	1,620,739

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	JBT (China) Pte Ltd		Ng Ah Sio Investments Pte. Ltd.	
	2015	2014	2015	2014
	$	$	$	$
Current assets	3,865,473	1,874,382	3,217,498	2,487,711
Non-current assets	3,677,630	1,909,467	76,914	249,101
Current liabilities	(2,028,082)	(1,049,660)	(1,210,702)	(1,425,818)
Non-current liabilities	–	–	(23,545)	(23,545)
Equity attributable to owners of the Company	3,939,273	1,913,934	802,292	486,965
Non-controlling interests	1,575,748	820,255	1,257,873	800,484
Revenue	10,462,715	6,529,116	7,617,856	7,830,624
Expenses	(9,825,097)	(6,421,247)	(6,845,140)	(7,020,850)
Profit for the year	637,618	107,869	772,716	809,774
Profit attributable to owners of the Company	446,332	75,508	394,084	412,985
Profit attributable to non-controlling interests	191,286	32,361	378,632	396,789
Profit for the year	637,618	107,869	772,716	809,774
Other comprehensive income attributable to owners of the Company	170,249	10,556	–	–
Other comprehensive income attributable to non-controlling interests	72,964	4,524	–	–
Other comprehensive income for the year	243,213	15,080	–	–
Total comprehensive income attributable to owners of the Company	616,581	86,064	394,084	412,985
Total comprehensive income attributable to non-controlling interests	264,250	36,885	378,632	396,789
Total comprehensive income for the year	880,831	122,949	772,716	809,774
Dividends paid to non-controlling interests	–	–	–	(166,110)
Net cash inflow from operating activities	815,138	478,698	787,052	1,409,120
Net cash outflow from investing activities	(1,760,964)	(1,291,662)	(54,819)	(30,896)
Net cash inflow/(outflow) from financing activities	1,900,000	–	–	(339,000)
Net cash inflow/(outflow)	954,174	(812,964)	732,233	1,039,224

1 GENERAL (cont'd)

Details of fellow co-operative ventures that have material fellow co-operative venturer's interests to the Group are as follows:

Name of co-operative ventures	Place of incorporation and principal place of business	Proportion of ownership interests held by fellow co-operative venturer		Profit allocated to fellow co-operative venturer		Accumulated interests to fellow co-operative venturer	
		2015	2014	2015	2014	2015	2014
		%	%	$	$	$	$
Jumbo Seafood (Riverside)	Singapore	35	35	1,029,930	864,321	2,628,949	1,599,019
Jumbo Seafood Gallery	Singapore	35	35	1,122,321	963,423	2,811,408	1,689,087
				2,152,251	1,827,744	5,440,357	3,288,106

Summarised financial information in respect of each of the Group's co-operative ventures that has material fellow co-operative venturer's interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	Jumbo Seafood (Riverside)		Jumbo Seafood Gallery	
	2015	2014	2015	2014
	$	$	$	$
Current assets	8,732,548	5,742,542	8,999,949	5,774,487
Non-current assets	43,663	52,832	108,557	136,922
Current liabilities	(1,264,926)	(1,226,746)	(1,088,261)	(1,097,794)
Equity attributable to owners of the Company	4,882,336	2,969,609	5,208,837	3,124,528
Fellow co-operative venturer's interests	2,628,949	1,599,019	2,811,408	1,689,087
Revenue	19,150,244	17,030,013	18,294,507	16,343,513
Expenses	(16,207,586)	(14,560,522)	(15,087,876)	(13,590,876)
Profit for the year	2,942,658	2,469,491	3,206,631	2,752,637
Profit attributable to owners of the Company	1,912,728	1,605,170	2,084,310	1,789,214
Profit attributable to fellow co-operative venturer	1,029,930	864,321	1,122,321	963,423
Profit for the year	2,942,658	2,469,491	3,206,631	2,752,637
Net cash inflow/(outflow) from operating activities	(148,293)	2,462,234	261,320	2,753,902
Net cash outflow from investing activities	(32,610)	(22,849)	(89,892)	(47,099)
Net cash outflow from financing activities	–	–	(1,050)	–
Net cash inflow/(outflow)	(180,903)	2,439,385	170,378	2,706,803

The combined financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 30 September 2015 were authorised for issue by the Board of Directors on 7 January 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The combined financial statements have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 or value in use in FRS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS – On 1 October 2014, the Group adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised FRSs and INT FRSs and amendments to FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following FRSs, INT FRSs and amendments to FRS that are relevant to the Group and the Company were issued but not effective:

- FRS 109 Financial Instruments(2)
- FRS 115 Revenue from Contracts with Customers(2)
- Amendments to FRS 1 Presentation of Financial Statements: Disclosure Initiative(1)

(1) Applies to annual periods beginning on or after 1 January 2016, with early application permitted.

(2) Applies to annual periods beginning on or after 1 January 2018, with early application permitted.

Consequential amendments were also made to various standards as a result of these new/revised standards.

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption except for the following:

FRS 109 *Financial Instruments*

FRS 109 Financial Instruments issued in December 2014 replaces FRS 39 Financial Instrument introduced new requirements for the classification and measurement of financial instruments, as well as a new impairment model for financial assets. In addition, it also sets out new requirements for general hedge accounting.

Key requirements of FRS 109:

- all recognised financial assets that are within the scope of FRS 39 *Financial Instruments*:

  Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income ("FVTOCI"). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under FRS 109, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FRS 109 *Financial Instruments* (cont'd)

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, FRS 109 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under FRS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.

- in relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in FRS 39. Under FRS 109, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Management is currently evaluating the potential impact of the application of the FRS 109 on the financial statements of the Group and the Company in the period of initial adoption.

FRS 115 *Revenue from Contracts with Customers*

In November 2014, FRS 115 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. FRS 115 will supersede the current revenue recognition guidance including FRS 18 *Revenue*, FRS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of FRS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under FRS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Furthermore, extensive disclosures are required by FRS 115.

FRS 115 will take effect from the financial year beginning on or after 1 January 2018 with retrospective application required. Under this transition method, an entity shall apply this Standard retrospectively only to contracts that are not completed at the date of initial adoption. Management is currently evaluating the potential impact of the application of FRS 115 on the financial statements of the Group and of the Company in the period of initial adoption.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Amendments to FRS 1 *Presentation of Financial Statements: Disclosure Initiative*

The amendments have been made to the following:

- Materiality and aggregation - An entity shall not obscure useful information by aggregating or disaggregating information and materiality considerations apply to the primary statements, notes and any specific disclosure requirements in FRSs.

- Statement of financial position and statement of profit or loss and other comprehensive income - The list of line items to be presented in these statements can be aggregated or disaggregated as relevant. Guidance on subtotals in these statements has also been included.

- Presentation of items of other comprehensive income ("OCI") arising from equity-accounted investments - An entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single items based on whether or not it will subsequently be reclassified to profit or loss.

- Notes - Entities have flexibility when designing the structure of the notes and guidance is introduced on how to determine a systematic order of the notes. In addition, unhelpful guidance and examples with regard to the identification of significant accounting policies are removed.

Management is currently evaluating the potential impact of the application of these amendments to FRS 1 on the financial statements of the Group and of the Company in the period of initial adoption.

BASIS OF COMBINATION - The Group resulting from the Restructuring Exercise as disclosed in Note 1, is one involving entities under common control. Accordingly, the combined financial statements have been accounted for using the principles of merger accounting where financial statement items of the merged entities for the reporting periods in which the common control combination occurs are included in the combined financial statement of the Group as if the combination had occurred from the date when the merged entities first came under the control of the same shareholders.

Control is achieved when the Company:

- Has power over the investee;

- Is exposed, or has rights, to variable returns from its involvement with the investee; and

- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- Potential voting rights held by the Company, other vote holders or other parties;

- Rights arising from other contractual arrangements; and

- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The results of subsidiaries acquired or disposed of during the financial year are included in the combined statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies in line with those used by other members of the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this may result in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group losses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 39 *Financial Instruments: Recognition and Measurement* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

The Group accounts for the fellow co-operative venturers' interests in the co-operative venture businesses as fellow co-operative venturers' interests which are identified separately from the Group's equity therein.

The co-operative ventures' interest may be initially measured either at fair value or at the fellow co-operative ventures' proportionate share of the fair value of the co-operative ventures' identifiable net assets. The carrying amount of co-operative ventures' is the amount of those interests at initial recognition plus the co-operative ventures' share of subsequent changes in equity. Total comprehensive income is attributed to co-operative ventures' interests even if this may result in the co-operative ventures' interests having a deficit balance.

Increases in interests in co-operatives venture businesses are accounted for as equity transactions. The carrying amount of the Group's interests and the fellow co-operatives venturer's interests are adjusted to reflect the changes in their relative interests in the co-operative venture businesses. Any difference between the amount by which the fellow co-operative venturer's interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

BUSINESS COMBINATIONS - Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with FRS 39 *Financial Instruments: Recognition and Measurement*, or FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the FRS are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 12 *Income Taxes* and FRS 19 *Employee Benefits* respectively;

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in FRS 102 Share-based Payment at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with FRS 105 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the financial year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Financial assets

Loans and receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate method, except for short-term receivables when the recognition of interest would be immaterial.

Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are not classified into any of the other categories. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less impairment loss.

Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss where the financial asset is either held for trading or it is designated as at fair value through profit or loss. Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Short term investments, comprising quoted equity shares, are classified as financial assets at fair value through profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to the relevant exchange's quoted market bid prices at the close of business on the end of the financial year. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each financial year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For available-for-sale equity instruments, a significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale investment is considered to be impaired, the impairment loss is recognised in profit or loss. Any impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any subsequent increase in fair value after an impairment loss is recognised in other comprehensive income.

<u>Derecognition of financial assets</u>

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

<u>Classification as debt or equity</u>

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

<u>Equity instruments</u>

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

<u>Trade and other payables</u>

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis. Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

INVENTORIES - Inventories comprising mainly food and beverages are stated at the lower of cost and net realisable value. Cost comprises all cost of purchase and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

Audio, visual and office equipment	-	3 to 10 years
Kitchen equipment and utensils	-	3 to 10 years
Furniture and fittings	-	3 to 10 years
Renovation	-	3 to 10 years
Leasehold industrial buildings	-	44 to 50 years
Motor vehicles	-	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

Fully depreciated assets still in use are retained in the financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

GOODWILL - Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associate is described under "Associates" below.

IMPAIRMENT OF NON-FINANCIAL ASSETS EXCLUDING GOODWILL - At the end of each financial year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

ASSOCIATES - An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, investments in associates are carried in the combined statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits or losses are eliminated to the extent of the Group's interest in the relevant associate.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

<u>Provision for reinstatement costs</u>

The Group recognises a liability and capitalise an expense in property, plant and equipment if the Group has a present legal or constructive obligation to reinstate the leased premises to their original state upon expiry of the lease. The provision is made based on management's best estimate of the expected costs to be incurred to reinstate the leased premises to their original state. The capitalised provision for reinstatement costs in plant and equipment is amortised over the period of the lease.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes. Considerations received in advance are deferred until the goods and services are provided.

<u>Sale of food and beverages</u>

Revenue from the sale of food and beverages is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the food and beverages i.e. when the food and beverages are delivered;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

<u>Interest income</u>

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Management fees

Revenue from management contracts is recognised over the management period when the services are rendered.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Sponsorship income

Sponsorship income from suppliers is recognised when the rights to receive payment have been established.

Sale of rewards card

Sale of rewards card is recognised as income on a straight-line basis over the membership period.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

BORROWING COSTS - Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is reduced from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

CASH AND CASH EQUIVALENTS - Cash and cash equivalents comprise cash at bank and on hand and fixed deposits, which are subject to an insignificant risk of changes in value.

CLUB MEMBERSHIP - This comprises of investment in club membership which is stated at cost less any impairment in net recoverable value that has been recognised in profit or loss.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the combined statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from manner in which Group expects, at the end of the financial year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS - The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The combined financial statements of the Group are presented in Singapore dollars, which is the functional currency of the Group and the presentation currency for the combined financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting combined financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing on the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity. On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation accumulated in a separate component of equity, shall be reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognised.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities) are recognised in other comprehensive income and accumulated in a separate component of equity (attributed to non-controlling interest, as appropriate).

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 to the financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

Apart from those involving estimates, management is of the opinion that any instance of application of judgement is not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each financial year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives to be 44 to 50 years for leasehold industrial buildings and 3 to 10 years for others. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets; therefore future depreciation charges could be revised. The carrying amount of the property, plant and equipment are set out in Note 13 to the financial statements.

(b) Impairment of investments in associates and property, plant and equipment

Investments in associates and property, plant and equipment are stated at cost less any impairment loss. The Group evaluates, among other factors, the market and economic environment in which the investee companies operates and the financial performance of the investee companies to determine whether there are indications of impairment loss and if so, whether the estimated recoverable amount exceeds cost.

The carrying value of the investments in associates and property, plant and equipment are reviewed for impairment in accordance with FRS 36 *Impairment of Assets*. Whenever the investments may be impaired, the recoverable amount of the investments is measured. This requires an estimation of their value in use. The value in use calculation requires the Group to estimate future cash flows expected to arise and a suitable discount rate in order to calculate the present value of the future cash flows. The carrying amount of the investments in associates and property, plant and equipment are set out in Notes 10 and 13 to the financial statements respectively.

(c) Impairment of trade and other receivables

The Group assesses at the end of each financial year whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default of significant delay in payments. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimates based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the trade and other receivables are set out in Note 7 to the financial statements.

(d) Income tax

Significant assumptions are required in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of income tax payable and deferred tax liability as at the end of each financial year is set out in the statements of financial position and Note 27 to the financial statements respectively.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

(e) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value of the future cash flows. At the end of the financial years, no provision for impairment loss is considered necessary by the management. The carrying amount of the goodwill is set out in Note 12 to the financial statements.

(f) Provision for reinstatement costs

Provision for reinstatement costs represents costs to reinstate the Group's leased premises to its original state upon expiry of the lease. The provision was made based on management's best estimates of the expected costs which are to be incurred to reinstate the leased premises for its restaurant outlets. Details of the provision for reinstatement costs are provided in Note 19 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) ***Categories of financial instruments***

The following table sets out the financial instruments as at the end of the financial year:

	Group	
	2015	**2014**
	$	**$**
Financial assets		
Loans and receivables at amortised cost:		
Cash and bank equivalents	60,060,873	47,437,976
Trade and other receivables	4,538,468	4,291,854
Structured fixed deposit	–	200,000
Subtotal	64,599,341	51,929,830
Available-for-sale investment	75,000	75,000
Fair value through profit or loss (comprising short-term investments)	329,202	3,390,814
Total	65,003,543	55,395,644
Financial liabilities		
At amortised cost:		
Trade and other payables	12,888,594	12,426,793
Provision for reinstatement costs	1,476,967	1,569,350
Finance leases	135,000	314,583
Bank borrowings	696,076	790,994
Total	15,196,637	15,101,720

(b) ***Financial risk management policies and objectives***

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below:

(i) Foreign exchange risk management

The Group operates principally in Singapore and has operations in the People's Republic of China, giving rise to some exposures to market risk from changes in foreign exchange rates primarily with respect to Renminbi. The Group relies on the natural hedges between such transactions.

The Group does not enter into any derivative contracts to hedge the foreign exchange risk on such net investments. The Group's monetary assets and monetary liabilities are largely denominated in the respective Group entities' functional currencies.

As the Group's principal operations are in Singapore, it is not significantly exposed to foreign exchange risk and thus foreign currency risk sensitivity analysis has not been disclosed.

(ii) Interest rate risk management

The Group is not exposed to interest rate risk as there are no significant interest-bearing assets and liabilities except for fixed deposits, structured fixed deposit, finance leases and bank borrowings. Further details can be found in Notes 6, 15, 17 and 18 to the financial statements respectively.

No sensitivity analysis is prepared as the Group does not expect any material effect on the Group's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk is primarily attributable to its cash and bank balances and trade receivables. Liquid funds are placed with financial institutions with high credit ratings. The credit risk with respect to the trade receivables is limited as the Group's revenue are generated mainly from cash and credit card sales. Where transactions are conducted other than on a cash basis, the Group practises stringent credit review. Allowance for impairment is made where there is an identified loss event which, based on previous experience is evidence of a reduction in the recoverabilities.

The Group have no significant concentration of credit risk. Trade receivables are spread over a broad base of customers.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risks.

Further details of credit risk on trade receivables are disclosed in Note 7 to the financial statements.

(iv) Equity price risk management

The Group is exposed to equity risks arising from short term investments, equity investment and structured fixed deposit, except for equity investment which is classified as available-for-sale as investments is unquoted, and is held for strategic rather than trading purposes.

Further details of the short term investments, available-for-sale investment and structured fixed deposit are disclosed in Notes 8, 11 and 15 to the financial statements respectively.

Equity price sensitivity

In respect of the short term investments, if equity price had been 10% higher/lower, the Group's net profit for the year ended 30 September 2015 would increase/decrease by $32,920 (2014 : $339,081).

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(v) Liquidity risk management

Liquidity risk refers to the risk that the Group may not be able to meet its obligations.

The Group maintains sufficient cash and bank balances and internally generated cash flows to finance its working capital requirements.

All financial liabilities are repayable on demand or due within 1 year from the end of the financial year, except for bank borrowings in which information of the maturity profile and interest rate is disclosed in Note 18 to the financial statements.

All financial assets mature within 1 year from the end of the financial year.

Liquidity and interest risk analyses

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statements of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$	$	$	$	$
Group						
2015						
Non-interest bearing	–	14,365,561	–	–	–	14,365,561
Finance lease liability	3.59	65,640	82,050	–	(12,690)	135,000
Bank borrowings	1.72	117,990	471,958	206,482	(100,354)	696,076
		14,549,191	554,008	206,482	(113,044)	15,196,637
2014						
Non-interest bearing	–	13,996,143	–	–	–	13,996,143
Finance lease liability	4.31	125,454	222,815	–	(33,686)	314,583
Bank borrowings	3.04	117,990	471,958	324,472	(123,426)	790,994
		14,239,587	694,773	324,472	(157,112)	15,101,720

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

Non-derivative financial assets

The following tables detail the expected maturity for non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset on the statements of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$	$	$	$	$
Group						
2015						
Non-interest bearing	–	39,281,173	–	–	–	39,281,173
Fixed deposits	0.82	25,737,475	–	–	(15,105)	25,722,370
		65,018,648	–	–	(15,105)	65,003,543
2014						
Non-interest bearing	–	48,725,472	–	–	–	48,725,472
Fixed deposits	0.424	6,481,827	214,000	–	(25,655)	6,670,172
		55,207,299	214,000	–	(25,655)	55,395,644

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Financial instruments measured at fair value

	Total	Level 1	Level 2	Level 3	Cost
	$	**$**	**$**	**$**	**$**
Group					
Financial assets					
2015					
Available-for-sale investment (Note a)	75,000	–	–	–	75,000
Financial assets at fair value through profit or loss (comprising short-term investments)					
-Quoted equity shares	329,202	329,202	–	–	–
2014					
Available-for-sale investment (Note a)	75,000	–	–	–	75,000
Financial assets at fair value through profit or loss (comprising short-term investments)					
-Quoted equity shares	3,390,814	3,390,814	–	–	–

Note a

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less impairment loss.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

The Group determines fair values of various financial assets in the following manner:

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each financial year. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Group Financial assets	Fair value ($)		Fair value hierarchy	Valuation technique and key input	Significant unobservable input	Relationship of unobservable inputs to fair value
	2015	2014				
	Short-term investments (see Note 8 to the financial statements)					
Listed equity shares	329,202	3,390,814	Level 1	Quoted bid prices in an active market.	N/A	N/A

There were no transfers between the levels of the fair value hierarchy during the financial year.

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except as detailed in the following table, management considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values:

	2015		2014	
	Carrying amount	Fair value	Carrying amount	Fair value
	$	$	$	$
Group				
Financial liabilities				
Finance leases (Note 17)	135,000	147,690	314,583	348,269

The fair value of the finance leases represent the minimum lease payments based on contractual terms.

(c) *Capital risk management policies and objectives*

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remain unchanged from 2014. The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued capital, reserves and retained earnings. The Group is not subject to any external imposed capital requirements.

5 HOLDING COMPANY, RELATED COMPANIES AND OTHER RELATED PARTIES TRANSACTIONS

(a) Holding company and related companies

Some of the Group's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, repayable on demand and interest-free, unless otherwise stated.

(b) Other related parties transactions

Some of the Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

In addition to the information disclosed elsewhere in the financial statements, the Group entered into the following significant transactions as follows:

	Group	
	2015	2014
	$	$
Consultancy services provided by related party	18,387	120,000
Rental paid to directors of subsidiaries	132,000	132,000

Remunerations of directors and key management personnel

The remuneration of directors and key management are as follows:

	Group	
	2015	2014
	$	$
Short-term employee benefits	4,033,152	3,523,603
Post-employment benefits	106,272	121,448
Total compensation	4,139,424	3,645,051

6 CASH AND CASH EQUIVALENTS

	Group		Company
	2015	2014	2015
	$	$	$
Cash on hand	192,343	184,371	2
Cash at bank	34,146,160	40,783,433	10,000
Fixed deposits	25,722,370	6,470,172	–
	60,060,873	47,437,976	10,002

The fixed deposits mature within a year and bear interests ranging from 0.05% to 0.90% (2014 : 0.05% to 0.43%) per annum.

7 TRADE AND OTHER RECEIVABLES

	Group 2015	Group 2014	Company 2015
	$	$	$
Trade receivables			
- outside parties	838,764	1,194,450	–
- associates	106,082	106,825	–
Other receivables			
- outside parties	1,249	52,413	–
- associates	175,000	175,000	–
- allowance for doubtful debts – associates	(175,000)	(175,000)	–
Staff loans	108,975	148,582	–
Refundable deposits	3,483,398	2,789,584	–
Prepayments	2,062,958	1,053,960	343,145
	6,601,426	5,345,814	343,145

The credit period on sale of goods ranges from 3 to 30 days (2014 : 3 to 30 days). No interest is charged on the outstanding balance.

Analysis of trade receivables:

	Group 2015	Group 2014
	$	$
Not past due	802,762	1,177,873
Past due < 120 days	134,901	113,384
Past due ≥ 120 days yet within 12 months but not impaired	–	2,835
Past due exceeding 12 months but not impaired	7,183	7,183
	944,846	1,301,275

Trade receivables which are past due but are not impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Movement in allowance for doubtful debts:

	Group 2015	Group 2014
	$	$
Balance at beginning of the year	175,000	276,070
Doubtful debts written off against allowance	–	(101,070)
Balance at end of the year	175,000	175,000

The Group has provided for non-recoverability for the specific balances of $175,000 (2014 : $175,000) owing from an associate investment which management is of the view that repayment is not probable in the near future. The Group has not provided for non-recoverability for other past due debts as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

Other receivables are unsecured, interest-free and repayable on demand.

The refundable deposits are placed with reputable financial institutions. There has not been a significant change in credit quality of refundable deposits and prepayments. The amounts are considered recoverable.

8 SHORT-TERM INVESTMENTS

	Group	
	2015	2014
	$	$
Quoted equity shares, at fair value	329,202	3,390,814

The investments above include investments in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gains. They have no fixed maturity or coupon rate. The fair values of these securities are based on closing quoted market prices at the end of the financial year.

9 INVENTORIES

	Group	
	2015	2014
	$	$
Consumables	849,703	1,052,582
Liquor and beverages	184,674	163,159
	1,034,377	1,215,741

10 INVESTMENTS IN ASSOCIATES

	Group	
	2015	2014
	$	$
Unquoted equity shares – at cost	744,000	744,000
Accumulated impairment losses	(459,631)	(459,631)
Share of post-acquisition results	130,604	73,789
	414,973	358,158

Management carried out a review of the investments in associates having regard to the existing performance of the associates that had indicators of impairment and concluded that no further impairment loss is necessary.

10 INVESTMENTS IN ASSOCIATES (cont'd)

Details of the associates are as follows:

Name	Principal activity	Country of incorporation and operation	Effective equity interest of the Company	
			2015	2014
			%	%
Associates held by Jumbo Group of Restaurants Pte. Ltd.				
Seafood Republic Pte. Ltd. ("SRPL") [1]	Operation and management of restaurants	Singapore	20	20
Singapore Seafood Republic Pte. Ltd. ("SSRPL") [1][2][3]	Investment holding	Singapore	27	27
SSR Sentosa Pte. Ltd. ("SSR Sentosa") [1][2]	Operation and management of restaurant	Singapore	27	27
Associate held by Seafood Republic Pte Ltd ("SRPL")				
Claypot Venture Pte. Ltd. ("CVPL") [4]	Operation and management of restaurant	Singapore	–	40

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Although the Group holds 100% equity interests in SSR Sentosa, management has assessed that SSRPL, rather than the Group, has the ability to direct the relevant activities of SSR Sentosa because of a loan financing arrangement by SSRPL to SSR Sentosa which gives SSRPL authority to direct the activities of SSR Sentosa that significantly affect the returns of SSR Sentosa. As SSRPL is an associate of the Group, SSR Sentosa is deemed to be an associate of the Group.

(3) The Group has not recognised profits amounting to $133,319 (2014 : $70,266) for SSRPL as the investment in SSRPL had been fully impaired. The accumulated losses not recognised were $401,528 (2014 : $534,847).

(4) During the financial year ended 30 September 2015, the Group's associate, SRPL, terminated the shareholders' agreement for its investment in CVPL and disposed its investment in CVPL for a total consideration of $1.

Summarised financial information of the Group's material associate, Seafood Republic Pte Ltd, is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with FRSs.

	2015	2014
	$	$
Current assets	1,539,264	1,252,560
Non-current assets	552,547	569,035
Current liabilities	(163,832)	(177,699)
Revenue	1,222,492	1,226,906
Profit for the year	284,075	438,433

The Group has not recognised any profit from the operations of associates that are not individually material for the years ended 30 September 2015 and 2014.

11 AVAILABLE-FOR-SALE INVESTMENT

	Group	
	2015	2014
	$	$
Unquoted equity shares, at cost	75,000	75,000

The investment in unquoted equity investments represents 15% unquoted equity interest in Slappy Cakes (Singapore) Pte Ltd, a company incorporated in Singapore.

The management of the Group is of the view that the fair value of unquoted equity shares cannot be measured reliably as there is a wide range of reasonable fair value estimates and the probabilities of the various estimates cannot be reasonably assessed.

12 GOODWILL

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGU) that are expected to benefit from that business combination.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the CGU, relating to Ng Ah Sio Investments Pte. Ltd. and its business in Ng Ah Sio Bak Kut Teh, is determined on a value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The calculation uses cash flow projection based on a financial budget approved by management for the next 5 years based on an estimated growth rate of 3% (2014 : 3%) and at discount rate of 15% (2014 : 15%) per annum.

For the years ended 30 September 2015 and 2014, management has assessed that no allowance for impairment was required.

As at 30 September 2015, any reasonably possible change to the key assumptions applied not likely to cause the recoverable amounts to be below the carrying amounts of the CGU.

13 PROPERTY, PLANT AND EQUIPMENT

	Audio, visual and office equipment	Kitchen equipment and utensils	Furniture and fittings	Renovation	Leasehold industrial buildings	Motor vehicles	Total
	$	$	$	$	$	$	$
Group							
Cost:							
At 1 October 2013	2,447,060	2,680,934	3,252,278	8,807,819	4,941,144	1,081,553	23,210,788
Additions	558,038	748,078	395,455	1,709,444	–	268,279	3,679,294
Disposal	–	–	–	–	–	(97,814)	(97,814)
Exchange difference	147	1,644	96	4,831	–	–	6,718
At 30 September 2014	3,005,245	3,430,656	3,647,829	10,522,094	4,941,144	1,252,018	26,798,986
Additions	377,469	1,707,678	331,089	2,706,502	–	328,116	5,450,854
Disposal	(2,415)	(99,961)	–	(6,300)	–	(93,268)	(201,944)
Write back of reinstatement costs	–	–	–	(483,850)	–	–	(483,850)
Exchange difference	8,954	48,403	4,316	119,376	–	–	181,049
At 30 September 2015	3,389,253	5,086,776	3,983,234	12,857,822	4,941,144	1,486,866	31,745,095
Accumulated depreciation:							
At 1 October 2013	1,644,678	1,667,036	2,152,930	5,522,109	462,506	338,082	11,787,341
Depreciation for the year	464,667	364,037	548,629	1,523,668	104,652	121,535	3,127,188
Disposal	–	–	–	–	–	(84,756)	(84,756)
Exchange difference	299	1,240	113	1,903	–	–	3,555
At 30 September 2014	2,109,644	2,032,313	2,701,672	7,047,680	567,158	374,861	14,833,328
Depreciation for the year	532,032	531,905	515,315	1,639,735	104,651	131,638	3,455,276
Disposal	(287)	(61,010)	–	(6,300)	–	(83,164)	(150,761)
Write back of reinstatement costs	–	–	–	(409,896)	–	–	(409,896)
Exchange difference	3,051	12,266	1,141	20,071	–	–	36,529
At 30 September 2015	2,644,440	2,515,474	3,218,128	8,291,290	671,809	423,335	17,764,476
Carrying amount:							
At 30 September 2015	744,813	2,571,302	765,106	4,566,532	4,269,335	1,063,531	13,980,619
At 30 September 2014	895,601	1,398,343	946,157	3,474,414	4,373,986	877,157	11,965,658

The cost of fully depreciated assets still in use for the Group amounted to $12,123,384 (2014 : $8,325,905).

At the end of the financial year, the Group has plant and equipment with carrying amount of $298,707 (2014 : $657,802) under finance leases (Note 17).

Leasehold property amounting to $2,108,572 (2014 : $2,160,000) owned by the Group is mortgaged to secure a loan facility (Note 18).

14 CLUB MEMBERSHIPS

	Group	
	2015	2014
	$	$
Country club memberships, at cost	273,300	273,300
Less: Allowance for impairment	(35,000)	(35,000)
	238,300	238,300

15 STRUCTURED FIXED DEPOSIT

The amount is deposited with a reputed bank since 19 August 2005 for a period of 10 years under a structured deposit scheme. The Group withdrawn the structured fixed deposit when it matured during the financial year.

16 (a) TRADE AND OTHER PAYABLES

	Group		Company
	2015	2014	2015
	$	$	$
Trade payables	4,024,730	3,848,460	–
Other payables	798,185	1,078,583	–
Deposits received	324,498	236,917	–
Accrued employee benefits expense	5,475,303	5,618,493	–
Accrued directors' fees	640,000	990,000	–
Accrued operating expenses	1,950,376	891,257	828,800
Accrued credit expenses	573,218	825,700	–
Deferred revenue	380,051	341,147	–
	14,166,361	13,830,557	828,800

The credit period on purchases of goods and services ranges from 30 days (2014 : 30 days).

The Group has a loyalty programme which allows members to accumulate credits when they spend in the Group's restaurants. These credits can be off-set against billings from the Group's restaurants and/or redeem for certain merchandise. Accrued credits expense relates to the credits issued under the loyalty programme that are expected to be redeemed but are still outstanding as at the end of the financial year.

Deferred revenue relates to deferred rewards card fees which are recognised as income over the membership period.

(b) DUE TO A SUBSIDIARY

Amount due to a subsidiary is unsecured, interest-free and repayable on demand.

17 FINANCE LEASES

	Minimum lease payments		Present value of minimum lease payments	
	2015	2014	2015	2014
	$	$	$	$
Group				
Amounts payable under finance leases:				
Within one year	65,640	126,784	72,741	113,879
In the second to fifth years inclusive	82,050	221,485	62,259	200,704
	147,690	348,269	135,000	314,583
Less: Future finance charges	(12,690)	(33,686)	N/A	N/A
Present value of lease obligations	135,000	314,583	135,000	314,583
Less: Amount due for settlement within 12 months (shown under current liabilities)			(72,741)	(113,879)
Amount due for settlement after 12 months			62,259	200,704

It is the Group's policy to lease certain of its motor vehicles under finance lease. The lease term is for a period of 1 to 5 years (2014 : 1 to 5 years). For the year ended 30 September 2015, the average effective borrowing rate is approximately 3.59% (2014 : 4.31%) per annum. Interest rates are fixed at the contract date, and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in the functional currency of the Company. The Group's obligations under finance leases are secured by the lessor's title to the leased assets. In 2014, certain finance leases are guaranteed by directors of the Company.

18 BANK BORROWINGS

	Group	
	2015	2014
	$	$
Secured – at amortised cost		
Current	109,298	116,412
Non-current	586,778	674,582
	696,076	790,994

The bank loan was taken up in 19 June 2012 and borne interest of 0.88% per annum over the bank's prevailing three-month cost of funds for the first year, 1.28% per annum over the bank's prevailing three-month cost of funds for the second year and 3% per annum over the bank's prevailing three-month cost of funds for subsequent years.

During the financial year, the Group refinanced the bank loan. Effective 26 December 2014, the refinanced bank loan bears interest of 0.88% per annum over the bank's prevailing three-month cost of funds for the first year, 1.28% per annum over the bank's prevailing three-month cost of funds for the second year, 3% per annum over the bank's prevailing three-month cost of funds for the third year and 0.75% per annum over the bank's commercial financing rate for subsequent years. Leasehold property amounting to $2,108,572 (2014 : $2,160,000) owned by the Group is mortgaged to secure the loan which is repayable over 90 monthly principal instalments ending on 20 June 2022.

Management estimates the fair value of the above loans to approximate their carrying amounts.

As at 30 September 2015, the Group had available $10,000,000 (2014 : $Nil) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met. The borrowings are secured against the corporate guarantee given by the Company.

19 PROVISION FOR REINSTATEMENT COSTS

	Group 2015	Group 2014
	$	$
Balance at beginning of year	1,569,350	1,473,550
Provision during the year	391,467	95,800
Write back to profit or loss (Note 25)	(483,850)	–
	(92,383)	95,800
Balance at end of year	1,476,967	1,569,350

Provision for reinstatement costs are estimation to reinstate the Group's leased premises to their original state upon expiry of the lease.

20 DEFERRED TAX LIABILITY

	Tax over book depreciation
	$
Group	
At 1 October 2013	325,252
Charge to profit or loss for the year	(231,904)
At 30 September 2014 and 2015	93,348

21 SHARE CAPITAL

The Company was incorporated on 4 February 2015. Accordingly, the share capital in the combined statements of financial position as at the end of the financial year relates to the aggregate amounts of the Group's share of the share capital of the subsidiaries, JSPL and JEPL.

	Group 2015	Group 2014	Company 2015	Group 2015	Group 2014	Company 2015
	Number of ordinary shares			$	$	$
Issued and paid up: At beginning/ date of incorporation and end of year	1,825,330	1,825,330	2	2,595,940	2,595,940	2

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividend as and when declared by the Company.

22 EQUITY RESERVE

The equity reserve represents effects of disposal of partial interests in a subsidiary, Ng Ah Sio Investments Pte. Ltd., without loss of control.

23 FELLOW CO-OPERATIVE VENTURER'S INTERESTS

The Group entered into co-operative venture agreements with a third party to run certain restaurant businesses under Jumbo Seafood (Riverside) ("JSR") and Jumbo Seafood Gallery ("JSG"). The fellow venturer's interests comprising 35% share of the net assets of the businesses is repayable at the expiry or termination of the co-operative venture agreements after all liabilities of the businesses to third parties have been paid. In 2013, the subsidiary entered into a deed of termination with the fellow co-operative venturer that provided for the termination of the co-operative venture agreements and the transfer of the fellow co-operative venturer's interests of both JSR and JSG to the Group for $3,136,320 if certain conditions are met by 31 December 2015, failing which the Deed of Termination would be null and void.

24 REVENUE

Revenue comprises sales to customers net of discounts and sales related taxes.

25 OTHER INCOME

	Group 2015	Group 2014
	$	$
Government credit schemes	911,018	608,567
Interest income	100,990	34,226
Management fees received from associates	241,541	237,552
Dividend income from an associate	–	80,000
Dividend income from short-term investments	122,227	114,873
Fair value gains on short-term investments	145,939	91,188
Gain on disposal of short-term investments	133,750	–
Gain on disposal of property, plant and equipment	4,135	13,680
Customer rewards card fee	377,691	390,238
Government grants	397,128	658,469
Write back of reinstatement cost	483,850	–
Sponsorships	48,601	97,011
Insurance claims	118,345	52,254
Sale of waste	29,057	66,032
Others	46,064	123,043
	3,160,336	2,567,133

26 OTHER OPERATING EXPENSES

	Group 2015	Group 2014
	$	$
Cleaning supplies and services	1,690,781	1,713,839
Credit card commission	1,677,665	1,677,399
Directors' fee		
- Directors of the Company	170,000	200,000
- Directors of subsidiaries	500,000	790,000
General supplies	1,172,168	1,009,758
Repair and maintenance	1,331,898	908,308
Professional fees	1,870,078	574,781
Transportation fees	810,332	824,029
Marketing expense	1,352,870	1,380,995
Other expenses	2,569,793	2,416,926
	13,145,585	11,496,035

27 INCOME TAX EXPENSE

	Group 2015	Group 2014
	$	$
Tax expense comprises:		
Current tax		
- Current year	1,751,100	2,154,519
- Under/(Over)provision in respect of prior years	68,151	(109,500)
Deferred tax (Note 20)		
- Current year	–	(59,494)
- Overprovision in respect of prior years	–	(172,410)
	1,819,251	1,813,115

Domestic income tax is calculated at 17% (2014 : 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The total charge for the year can be reconciled to the accounting profit as follows:

	Group 2015	Group 2014
	$	$
Profit before tax	15,141,079	15,590,670
Income tax calculated at 17% (2014 : 17%)	2,573,983	2,650,414
Non-(taxable) income / Non-deductible items	(460,277)	642,261
Tax effect of share of results of associates	–	14,907
Tax effect of deduction from tax incentives	(470,788)	(261,887)
Tax effect of exempt income	(99,363)	(705,815)
Effect of different tax rate of subsidiaries operating in other jurisdiction	57,344	22,113
Deferred tax assets not recognised	185,204	–
Utilisation of deferred tax assets previously not recognised	–	(126,112)
Effect of tax rebates	(60,000)	(102,420)
Under/(Over) provision of current tax in respect of prior years	68,151	(109,500)
Overprovision of deferred tax in respect of prior years	–	(172,410)
Others	24,997	(38,436)
	1,819,251	1,813,115

As at the end of the financial year, one of the Group's foreign subsidiaries have the following unutilised tax losses available for offsetting against their future taxable profits:

	Group 2015	Group 2014
	$	$
At beginning of the year	–	617,589
Adjustment	–	(113,143)
Arising/(Utilisation) during the year	1,089,435	(504,446)
At end of the year	1,089,435	–
Unrecorded deferred tax assets on the above balance	185,204	–

27 INCOME TAX EXPENSE (cont'd)

The realisation of the future income tax benefits from tax loss carryforwards from Singapore companies is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

The realisation of the future income tax benefits from tax losses carryforwards from subsidiaries in the People's Republic of China is available for 5 years subject to the conditions imposed by law. No deferred tax asset has been recognised on the above tax benefit due to the unpredictability of future profit streams.

28 SEGMENT INFORMATION

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business which forms the basis of identifying the operating segments of the Group under FRS 108 *Operating Segments*. The aggregated restaurant business is therefore the Group's reportable segment.

The accounting policies of the reportable segment are the same as the Group's accounting policies described in Note 2.

Geographical information

The Group operates in Singapore and the People's Republic of China.

The following table provides an analysis of the Group's revenue from external customers based on the geographical location where revenue is generated:

	Group Sales revenue by geographical market	
	2015	2014
	$	$
Singapore	112,331,898	105,874,895
People's Republic of China	10,462,715	6,529,116
Total	122,794,613	112,404,011

The following is an analysis of the carrying amount of segment assets (non-current assets excluding financial instruments, goodwill and investments in joint ventures and associates) analysed by the geographical location in which the assets are located:

	Group Non-current asset	
	2015	2014
	$	$
Singapore	10,254,901	10,040,452
People's Republic of China	3,725,718	1,925,206
Total	13,980,619	11,965,658

The non-current assets comprise property, plant and equipment.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

29 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging/ (crediting):

	Group	
	2015	2014
	$	$
Employment benefits - directors and key management of the Company		
- Salary and allowances	1,922,732	1,609,883
- Cost of defined contribution plans	61,525	96,014
Employment benefits - directors of subsidiaries		
- Salary and allowances	1,440,420	923,720
- Cost of defined contribution plans	44,747	25,434
Directors' fees		
- Directors of the Company	170,000	200,000
- Directors of subsidiaries	500,000	790,000
Audit fees:		
- paid to auditors of the Company	215,400	211,100
- paid to other auditors	24,600	21,000
Non-audit fees paid to auditors of the Company	45,900	43,958
Cost of inventories recognised as an expense	45,520,377	42,018,423
Expenses relating to the Company's IPO[(1)]	1,029,434	–
Operating lease expenses	10,334,848	8,846,096
Net exchange (gain)/loss	(57,379)	20,875
Cost of defined contribution plans included in employee benefit expense	1,835,819	1,492,747
Rental paid to directors of subsidiaries	132,000	132,000

(1) This included non-audit fee of $330,000 (2014 : $Nil) paid to auditors of the Company in connection with the Company's IPO.

30 COMMITMENTS

The Group as a lessee

Operating lease commitments

	Group	
	2015	2014
	$	$
Minimum lease payments under operating leases recognised as an expense	10,334,848	8,846,096

The Group has operating lease agreements for restaurant outlets. The lease typically runs for a period of three years, with an option to renew the lease contract after that date. The lease term does not contain restrictions on the Group's activities concerning dividends, additional debt or further leasing.

30 COMMITMENTS (cont'd)

At the end of the financial year, the Group has outstanding commitments under non-cancellable operating leases, which fall due as follows:

	Group	
	2015	2014
	$	$
Within one year	9,579,559	7,160,835
Within two to five years	15,375,063	9,440,753
	24,954,622	16,601,588

Contingent rental for the Group payable at certain percentage of monthly gross turnover has been excluded from the minimum lease rental commitments above.

31 EARNINGS PER SHARE

Pursuant to IPO, the calculation of the earnings per share attributable to the ordinary owners of the Company is based on the following data:

	Group	
	2015	2014
	$	$
Earnings per ordinary share ("EPS")		
Profit attributable to owners of the Company	10,599,659	11,520,661
Weighted average number of ordinary shares for purpose of earnings per share	641,333,000[1]	641,333,000[1]
EPS -Basic and diluted (cents)	1.7	1.8

Note:

[1] For comparative purposes, the earnings per share for the respective financial years have been computed based on the profit attributable to owners of the Company and the Company's enlarged share capital of 641,333,000 shares, which included the following:

(a) sub-division of 1,051,204 shares in the capital of the Company into 463,929,800 shares;

(b) issuance of 17,070,200 new shares to fellow co-operative venturers and non-controlling interests;

(c) assuming that the Restructuring Exercise and the issuance of 72,100,000 cornerstone shares and 88,233,000 new shares pursuant to the IPO had been completed as at the end of the respective financial years.

There were no dilutive equity instruments for 2015 and 2014.

32 DIVIDENDS

On 12 December 2013, JSPL declared a second interim tax-exempt dividend of $1.241 per share (total dividend of $900,000) in respect of financial year ended 30 September 2013 to the then shareholders of JSPL. The dividend was paid on 27 December 2013.

On 31 July 2014, JSPL declared a first interim tax-exempt dividend of $0.551 per share (total dividend of $400,000) in respect of financial year ended 30 September 2014 to the then shareholders of JSPL. The dividend was paid on 31 July 2014.

On 21 November 2014, JSPL declared a second interim tax-exempt dividend of $1.38 per share (total dividend of $1,000,000) in respect of financial year ended 30 September 2014 to the then shareholders of JSPL. The dividend was paid on 1 December 2014.

33 EVENTS AFTER THE REPORTING PERIOD

At an extraordinary general meeting held on 19 October 2015, the shareholders approved, interalia, the following:

(1) The conversion of the Company into a public company limited by shares and the consequential change of the name to "Jumbo Group Limited";

(2) The adoption of the new articles;

(3) The sub-division of 1,051,204 shares into 463,929,800 shares following the Restructuring Exercise;

(4) The allotment and issue of the new shares which are the subject of the invitation. The new shares, when allotted, issued and fully paid-up, will rank pari passu in all respects with the existing issued and fully paid-up shares;

(5) The listing and quotation of the shares (including all the issued shares and the new shares) on the Catalist;

(6) The adoption of the Jumbo Performance Share Plan ("PSP") and that the Directors be authorised to allot and issue shares upon the release of awards granted under the PSP; and

(7) The adoption of the Jumbo Employee Share Option Scheme ("ESOS") and that the Directors be authorised to allot and issue option shares upon the exercise of options granted under the ESOS.

On 19 October 2015, JSPL, JEPL and Ng Ah Sio Investments Pte Ltd. declared a conditional interim dividend of approximately $51.7 million for the financial year ended 30 September 2015. The dividend has been paid on 11 November 2015 to the respective shareholders then.

On 9 November 2015, the Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

34 COMPARATIVE FIGURES

The combined financial statements of the Group for the years ended 30 September 2014 and 2015 are prepared based on merger accounting method as if the Group, who is ultimately controlled collectively by the common shareholders, both before and after the Restructuring Exercise.

The financial statements of the Company cover the financial period since incorporation on 4 February 2015 to 30 September 2015. This being the first set of financial statements for the Company, there are no comparative figures.

INFORMATION ON SHARES

CLASS OF SHARES	:	ORDINARY SHARES
NUMBER OF SHARES ISSUED	:	641,333,000
ISSUED AND FULLY PAID-UP CAPITAL	:	S$48,525,912
VOTING RIGHTS	:	ON A POLL – 1 VOTE FOR EACH ORDINARY SHARE
NUMBER OF TREASURY SHARES	:	NIL

BREAKDOWN OF SHAREHOLDINGS BY RANGE
AS AT 15 DECEMBER 2015

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF ISSUED SHARE CAPITAL
1 - 99	0	0.00	0	0.00
100 - 1,000	62	5.36	48,000	0.01
1,001 - 10,000	446	38.58	2,943,300	0.46
10,001 - 1,000,000	628	54.33	51,756,300	8.07
1,000,001 AND ABOVE	20	1.73	586,585,400	91.46
TOTAL	1,156	100.00	641,333,000	100.00

TWENTY LARGEST SHAREHOLDERS
AS AT 15 DECEMBER 2015

No.	Name of Shareholder	No. of Shares	% of Issued Share Capital
1	JBO HOLDINGS PTE. LTD.	371,582,400	57.94
2	TAN GEE JIAN	42,254,900	6.59
3	UOB KAY HIAN PTE LTD	41,255,000	6.43
4	CITIBANK NOMINEES SINGAPORE PTE LTD	33,351,000	5.20
5	SEE BOON HUAT	28,169,800	4.39
6	KOH AH SAY @ SEE BOON CHYE	14,084,700	2.20
7	PALM BEACH SEAFOOD RESTAURANT PTE. LTD.	12,545,200	1.96
8	DBS NOMINEES PTE LTD	8,454,500	1.32
9	HSBC (SINGAPORE) NOMINEES PTE LTD	6,731,100	1.05
10	BNP PARIBAS SECURITIES SERVICES	4,613,000	0.72
11	MAYBANK KIM ENG SECURITIES PTE LTD	4,246,300	0.66
12	NSH HOLDINGS PTE. LTD.	3,594,000	0.56
13	RAFFLES NOMINEES (PTE) LTD	3,392,300	0.53
14	UNITED OVERSEAS BANK NOMINEES PTE LTD	3,088,900	0.48
15	PHILLIP SECURITIES PTE LTD	2,457,500	0.38
16	NG CHONG GUAN	1,550,600	0.24
17	HONG LEONG FINANCE NOMINEES PTE LTD	1,490,000	0.23
18	DBSN SERVICES PTE LTD	1,400,000	0.22
19	OCBC SECURITIES PRIVATE LTD	1,234,200	0.19
20	LIM & TAN SECURITIES PTE LTD	1,090,000	0.17
	TOTAL	586,585,400	91.46

SUBSTANTIAL SHAREHOLDERS

AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 15 DECEMBER 2015

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital
JBO HOLDINGS PTE. LTD.	371,582,400	57.9	–	–
TAN GEE JIAN	42,254,900	6.6	–	–
ANG HON NAM[(1)]	–	–	371,582,400	57.9
ORCHID 1 INVESTMENTS PTE. LTD.	40,000,000	6.2	–	–
RON SIM CHYE HOCK	32,100,000	5.0	–	–
HELICONIA CAPITAL MANAGEMENT PTE. LTD.[(2) (3)]	–	–	40,000,000	6.2
TEMASEK HOLDINGS (PRIVATE) LIMITED[(3)]	–	–	40,000,000	6.2
FULLERTON FUND INVESTMENTS PTE LTD[(3)]	–	–	40,000,000	6.2
SELETAR FUND INVESTMENTS PTE LTD[(3)]	–	–	40,000,000	6.2
HELICONIA HOLDINGS PTE. LTD.[(3)]	–	–	40,000,000	6.2

Notes:

(1) Mr. Ang Hon Nam is entitled to exercise not less than 20.0% of the votes attached to the voting shares in JBO Holdings Pte. Ltd. (“JBO”). As such, pursuant to Section 4 of the Securities and Futures Act (Cap. 289), Mr. Ang Hon Nam is deemed interested in the shares held by JBO in the Company.

(2) Heliconia Capital Management Pte. Ltd. (“Heliconia Capital”) has the authority to dispose of, or exercise control over the disposal of the shares held by Orchid 1 Investments Pte. Ltd. (“Orchid 1”) in the Company. As such, pursuant to Section 4 of the Securities and Futures Act (Cap. 289), Heliconia Capital is deemed interested in the shares held by Orchid 1 in the Company.

(3) Temasek Holdings (Private) Limited (“Temasek”) is the holding company of Fullerton Fund Investments Pte Ltd which is the holding company of Seletar Fund Investments Pte Ltd which is the holding company of Heliconia Holdings Pte. Ltd. which is the holding company of Heliconia Capital. As such, pursuant to Section 4 of the Securities and Futures Act (Cap. 289), Temasek is deemed interested in the shares held by Orchid 1 in the Company through interests held by one or more of the entities above, including Heliconia Capital.

PUBLIC FLOAT

Based on the information available to the Company as at 15 December 2015, approximately 24.3% of the issued shares of the Company was held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“Catalist Rules”). Accordingly, Rule 723 of the Catalist Rules has been complied with.

NOTICE IS HEREBY GIVEN that the First Annual General Meeting of JUMBO GROUP LIMITED (the "Company") will be held at 190 Keng Lee Road, Chui Huay Lim Club, Singapore 308409 on Friday, 29 January 2016 at 9.00 a.m. (the "Annual General Meeting") for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 September 2015 together with the Independent Auditors' Report thereon.
(Resolution 1)

2. To re-elect the following Directors retiring pursuant to Articles 88 and 89 of the Articles of Association of the Company:

Mdm. Tan Yong Chuan, Jacqueline (Article 89)		**(Resolution 2)**
Mrs. Christina Kong Chwee Huan (Article 88)		**(Resolution 3)**
Mr. Tan Cher Liang (Article 88)	*[See Explanatory Note (i)]*	**(Resolution 4)**
Mr. Richard Tan Kheng Swee (Article 88)	*[See Explanatory Note (ii)]*	**(Resolution 5)**
Dr. Lim Boh Soon (Article 88)	*[See Explanatory Note (iii)]*	**(Resolution 6)**

3. To approve the payment of Directors' fees of S$30,000 for the financial year ended 30 September 2015.
(Resolution 7)

4. To approve the payment of Directors' fees of S$185,000 for the financial year ending 30 September 2016, to be paid quarterly in arrears.
(Resolution 8)

5. To re-appoint Deloitte & Touche LLP as the Company's Auditors and to authorise the Directors to fix their remuneration.
(Resolution 9)

6. To transact any other ordinary business which may properly be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to allot and issue shares in the capital of the Company - Share Issue Mandate**

"That, pursuant to Section 161 of the Companies Act, Cap. 50 (the "Companies Act"), the Articles of Association of the Company and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), Section B: Rules of Catalist ("Catalist Rules") the Directors of the Company be and are hereby authorised to:

(i) issue shares in the Company ("Shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(iii) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority is in force (notwithstanding that such issue of Shares pursuant to the Instrument may occur after the expiration of the authority contained in this resolution), provided that:

(A) the aggregate number of Shares issued pursuant to such authority (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this resolution) does not exceed 100.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to the then existing Shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below);

(B) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (A) above, the total number of issued Shares shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares) at the time of the passing of this resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this authority is passed, provided the options or awards were granted in compliance with the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

(C) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company for the time being in force; and

(D) unless revoked or varied by the Company in a general meeting, the authority conferred by this resolution shall continue in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting is required by law to be held, whichever is the earlier."

[See Explanatory Note (iv)]

(Resolution 10)

8. **Authority to allot and issue Shares under the Jumbo Employee Share Option Scheme**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant options in accordance with the Jumbo Employee Share Option Scheme ("Share Option Scheme") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of options granted by the Company under the Share Option Scheme established by the Company upon the exercise of such options in accordance with the terms and conditions of the Share Option Scheme, provided always that the aggregate number of Shares issued and issuable pursuant to the Share Option Scheme, the Jumbo Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time."

[See Explanatory Note (v)]

(Resolution 11)

9. **Authority to allot and issue Shares under the Jumbo Performance Share Plan**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant awards in accordance with the Jumbo Performance Share Plan ("Performance Share Plan") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of awards granted by the Company under the Performance Share Plan established by the Company upon the vesting of such share awards in accordance with the terms and conditions of the Performance Share Plan, provided always that the aggregate number of Shares issued and issuable pursuant to the Share Option Scheme, the Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time."

[See Explanatory Note (vi)]

(Resolution 12)

By Order of the Board

Chee Yuen Li, Andrea
Secretary

Singapore, 13 January 2016

Explanatory Notes:

(i) Mr. Tan Cher Liang is the Lead Independent Director of the Company. He also serves as the Chairman of the Audit Committee and as a Member of the Nominating Committee and Remuneration Committee. Upon his re-election, Mr. Tan will continue to serve as the Chairman of the Audit Committee and as a Member of the Nominating Committee and Remuneration Committee. He will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

(ii) Mr. Richard Tan Kheng Swee is an Independent Director of the Company. He also serves as the Chairman of the Remuneration Committee and as a Member of the Audit Committee and Nominating Committee. Upon his re-election, Mr. Richard Tan will continue to serve as the Chairman of the Remuneration Committee and as a Member of the Audit Committee and Nominating Committee. He will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

(iii) Dr. Lim Boh Soon is an Independent Director of the Company. He also serves as the Chairman of the Nominating Committee and as a Member of the Audit Committee and Remuneration Committee. Upon his re-election, Dr. Lim will continue to serve as the Chairman of the Nominating Committee and as a Member of the Audit Committee and Remuneration Committee. He will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

(iv) The Ordinary Resolution 10 proposed in item 7 above, if passed, will empower the Directors of the Company to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, 100.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company, of which up to 50.0% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares) will be calculated based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when the Ordinary Resolution 10 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(v) The Ordinary Resolution 11 proposed in item 8 above, if passed, will empower the Directors of the Company, to allot and issue Shares pursuant to the exercise of such options in accordance with the provisions of the Share Option Scheme.

(vi) The Ordinary Resolution 12 proposed in item 9 above, if passed, will empower the Directors of the Company, to allot and issue such number of fully paid Shares pursuant to the grant of share awards in accordance with the provisions of the Performance Share Plan.

Notes:

1. A Member of the Company entitled to attend and vote at the Annual General Meeting may appoint not more than two proxies to attend and vote instead of him.

2. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.

3. If the member is a corporation, the instrument appointing a proxy or proxies must be executed under its common seal or the hand of its attorney or a duly authorised officer.

4. The instrument appointing a proxy or proxies must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time appointed for holding the Annual General Meeting.

Personal Data Privacy:

By attending the Annual General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and/or representatives appointed for the Annual General Meeting and/or any adjournment thereof and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting and/or any adjournment thereof, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where a member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

JUMBO GROUP LIMITED
Company Registration Number 201503401Z
(Incorporated in the Republic of Singapore)

PROXY FORM
(Please see notes overleaf before completing this form)

IMPORTANT
1. A relevant intermediary may appoint more than two proxies to attend the Meeting and vote (please see Note 3 for the definition of "relevant intermediary").
2. This Proxy Form is not valid for use by investors whose shares are held under their Supplementary Retirement Scheme (SRS) accounts and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. PLEASE READ THE NOTES TO THE PROXY FORM.

I/We, ________________________ (name) ________________________ (NRIC/Passport No) of

____ (address)

being a member/members of **JUMBO GROUP LIMITED** (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings %

and/or (delete as appropriate)

or failing him/her/them, the Chairman of the First Annual General Meeting ("Meeting") as my/our proxy/proxies to vote for me/us on my/our behalf at the Meeting to be held at 190 Keng Lee Road, Chui Huay Lim Club, Singapore 308409 on Friday, 29 January 2016 at 9.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote on the business before the Meeting as indicated below. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

No.	Resolutions relating to:	For	Against
1.	Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2015		
2.	Re-election of Mdm. Tan Yong Chuan, Jacqueline as a Director		
3.	Re-election of Mrs. Christina Kong Chwee Huan as a Director		
4.	Re-election of Mr. Tan Cher Liang as a Director		
5.	Re-election of Mr. Richard Tan Kheng Swee as a Director		
6.	Re-election of Dr. Lim Boh Soon as a Director		
7.	Approval of Directors' fees amounting to S$30,000 for the financial year ended 30 September 2015		
8.	Approval of Directors' fees amounting to S$185,000 for the financial year ending 30 September 2016, to be paid quarterly in arrears		
9.	Re-appointment of Deloitte & Touche LLP as Auditors		
10.	Authority to allot and issue shares in the capital of the Company - Share Issue Mandate		
11.	Authority to allot and issue shares under the Jumbo Employee Share Option Scheme		
12.	Authority to allot and issue shares under the Jumbo Performance Share Plan		

(Please indicate with a cross [X] in the space provided whether you wish your vote to be cast for or against the Resolutions as set out in the Notice of the Meeting.)

Dated this __________ day of __________________ 2016

Total number of Shares in:	No. of Shares Held
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Fold and seal here

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or two proxy/proxies to attend and vote in his/her stead.
2. Where a member appoints more than one proxy, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.
3. A member who is a relevant intermediary entitled to attend and vote at the Meeting is entitled to appoint more than two proxies to attend and vote at the Meeting instead of such member, but each such proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed.

   "relevant intermediary" means:

   (a) a banking corporation licensed under the Banking Act, Cap. 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Cap. 289 of Singapore, and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act, Cap. 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. A proxy need not be a member of the Company.
5. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy from will be deemed to relate to all the shares held by you.

Fold and seal here

AFFIX
POSTAGE
STAMP

The Company Secretary
JUMBO GROUP LIMITED
c/o M & C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

Fold and seal here

6. This proxy form must be deposited at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902, not less than 48 hours before the time set for the Meeting.
7. This proxy form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

General:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By attending the Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting.

JUMBO GROUP LIMITED

(Company Registration Number 201503401Z)
(Incorporated in the Republic of Singapore)

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