

## UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE THIRD QUARTER ENDED 30 JUNE 2016

*Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the offer document of Jumbo Group Limited dated 28 October 2015 (the “Offer Document”).*

Jumbo Group Limited (the “Company”) was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 9 November 2015. The initial public offering (the “IPO”) of the Company was sponsored by United Overseas Bank Limited (the “Sponsor”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor, for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

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

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

### Background

The Company was incorporated in the Republic of Singapore on 4 February 2015 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name “Jumbo Group Pte. Ltd.”. On 22 October 2015, the Company changed its name to “Jumbo Group Limited” in conjunction with its conversion to a public company limited by shares.

The group comprising the Company and its subsidiaries (the “Group”) was formed pursuant to a restructuring exercise (the “Restructuring Exercise”) undertaken as part of its corporate re-organisation, which involved the rationalisation of its corporate and shareholding structure for the purposes of the Company’s listing on Catalist. Please refer to the Offer Document for further details on the Restructuring Exercise.

For the purpose of this announcement, the results of the Group for the three-month period from 1 April 2016 to 30 June 2016 (“Q3 FY2016”) and the nine-month period from 1 October 2015 to 30 June 2016 (“9M FY2016”) as well as the comparative results of the Group for the corresponding periods in the preceding financial year, being Q3 FY2015 and 9M FY2015 respectively, have been prepared on the assumption that the Group structure following completion of the Restructuring Exercise has been in place since 1 October 2013.

**Financial Statements and Dividend Announcement for the Third Quarter ended 30 June 2016**

**PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUATERLY (Q1, Q3 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comprehensive statement for the corresponding period of the immediately preceding financial year.**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Group		Increase/ (Decrease) %	Group		Increase/ (Decrease) %
	Q3 FY2016 \$'000	Q3 FY2015 \$'000		9M FY2016 \$'000	9M FY2015 \$'000	
<b>Revenue</b>	32,705	28,730	13.8	103,265	90,904	13.6
Cost of sales	(12,139)	(10,682)	13.6	(39,309)	(33,413)	17.6
<b>Gross profit</b>	20,566	18,048	14.0	63,956	57,491	11.2
Other income	875	549	59.4	2,689	2,212	21.6
Employee benefits expense	(9,790)	(8,734)	12.1	(29,156)	(26,211)	11.2
Operating lease expenses	(2,780)	(2,532)	9.8	(8,799)	(7,565)	16.3
Utilities expenses	(819)	(885)	(7.5)	(2,598)	(2,736)	(5.0)
Depreciation expense	(896)	(879)	1.9	(2,563)	(2,673)	(4.1)
Other operating expenses	(3,019)	(3,101)	(2.6)	(10,229)	(9,829)	4.1
Finance costs	(5)	(13)	(61.5)	(15)	(28)	(46.4)
Share of results of associates	93	-	N.M.	116	30	286.7
<b>Profit before tax</b>	4,225	2,453	72.2	13,401	10,691	25.3
Income tax expense	(747)	(317)	135.6	(1,991)	(1,552)	28.3
<b>Profit for the period</b>	3,478	2,136	62.8	11,410	9,139	24.8
<b>Other comprehensive income:</b>						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences arising on translation of foreign operations	27	80	(66.3)	(332)	281	N.M.
<b>Other comprehensive income for the period, net of tax</b>	27	80	(66.3)	(332)	281	N.M.
<b>Total comprehensive income for the period</b>	3,505	2,216	58.2	11,078	9,420	17.6
<b>Profit attributable to:</b>						
Owners of the Company	3,401	1,692	101.0	11,306	7,259	55.8
Fellow co-operative venturer	-	308	N.M.	-	1,494	N.M.
Non-controlling interests	77	136	(43.4)	104	386	(73.1)
	3,478	2,136	62.8	11,410	9,139	24.8
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	3,420	1,748	95.7	11,062	7,465	48.2
Fellow co-operative venturer	-	308	N.M.	-	1,494	N.M.
Non-controlling interests	85	160	(46.9)	16	461	(96.5)
	3,505	2,216	58.2	11,078	9,420	17.6

Note:

(1) N.M. denotes not meaningful.

**1(a)(ii) Notes to statement of profit or loss and other comprehensive income**

**The Group's profit before tax was arrived at after crediting / (charging) the following:**

	Group			Group		
	Q3 FY2016	Q3 FY2015	Increase/ (Decrease) %	9M FY2016	9M FY2015	Increase/ (Decrease) %
	\$'000	\$'000		\$'000	\$'000	
Interest income	92	24	283.3	178	47	278.7
Dividend income from short-term investments	7	21	(66.7)	7	116	(94.0)
Gain on disposal of property, plant and equipment	-	4	N.M.	34	4	750.0
Government grants	192	193	(0.5)	1,395	981	42.2
Loss on property, plant and equipment written off	-	(29)	N.M.	(29)	(39)	(25.6)
Foreign exchange (loss)/gain	(32)	(42)	(23.8)	(135)	54	N.M.
Depreciation of property, plant and equipment	(896)	(879)	1.9	(2,563)	(2,673)	(4.1)
Finance costs	(5)	(13)	(61.5)	(15)	(28)	(46.4)
Gain on disposal of short-term investments	-	63	N.M.	-	134	N.M.
Fair value (loss)/ gain on short-term investments	(3)	-	N.M.	(3)	210	N.M.

Note:

(1) N.M. denotes not meaningful.

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Group		Company	
	As at 30 Jun 2016 \$'000	As at 30 Sep 2015 \$'000	As at 30 Jun 2016 \$'000	As at 30 Sep 2015 \$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	54,052	60,061	30,342	10
Trade and other receivables	7,792	6,601	22	343
Due from subsidiaries	-	-	10,700	-
Dividend receivable	-	-	10,000	-
Short-term investments	333	329	-	-
Inventories	933	1,034	-	-
<b>Total current assets</b>	<b>63,110</b>	<b>68,025</b>	<b>51,064</b>	<b>353</b>
<b>Non-current assets</b>				
Investment in associates	531	415	-	-
Investment in subsidiaries	-	-	5,424	-
Available-for-sale investment	75	75	-	-
Goodwill	782	782	-	-
Property, plant and equipment	15,659	13,981	-	-
Club memberships	238	238	-	-
<b>Total non-current assets</b>	<b>17,285</b>	<b>15,491</b>	<b>5,424</b>	<b>-</b>
<b>Total assets</b>	<b>80,395</b>	<b>83,516</b>	<b>56,488</b>	<b>353</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Trade and other payables	13,189	14,166	113	828
Due to a subsidiary	-	-	-	614
Finance leases	60	73	-	-
Bank borrowing	112	109	-	-
Provision for reinstatement costs	1,540	1,477	-	-
Income tax payable	2,126	1,752	-	-
<b>Total current liabilities</b>	<b>17,027</b>	<b>17,577</b>	<b>113</b>	<b>1,442</b>
<b>Non-current liabilities</b>				
Finance leases	30	62	-	-
Bank borrowing	512	587	-	-
Deferred tax liability	93	93	-	-
<b>Total non-current liabilities</b>	<b>635</b>	<b>742</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves</b>				
Share capital	48,441	2,596	48,441	-
Currency translation reserve	(7)	237	-	-
Merger reserve	(2,828)	-	-	-
Equity reserve	-	95	-	-
Retained earnings / (accumulated losses)	15,456	53,995	7,934	(1,089)
<b>Equity attributable to owners of the Company</b>	<b>61,062</b>	<b>56,923</b>	<b>56,375</b>	<b>(1,089)</b>
Fellow co-operative venturer's interests	-	5,440	-	-
Non-controlling interests	1,671	2,834	-	-
<b>Total equity</b>	<b>62,733</b>	<b>65,197</b>	<b>56,375</b>	<b>(1,089)</b>
<b>Total liabilities and equity</b>	<b>80,395</b>	<b>83,516</b>	<b>56,488</b>	<b>353</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

Amount repayable by the Group in one year or less, or on demand

As at 30 Jun 2016 (\$'000)		As at 30 Sep 2015 (\$'000)	
Secured	Unsecured	Secured	Unsecured
172	-	182	-

Amount repayable by the Group after one year

As at 30 Jun 2016 (\$'000)		As at 30 Sep 2015 (\$'000)	
Secured	Unsecured	Secured	Unsecured
542	-	649	-

**Details of collaterals**

As at balance sheet date, the total borrowings of the Group are secured by:

- a) A mortgage over the leasehold property of a subsidiary located at 7 Kaki Bukit Road 1, #05-07 Eunos Technolink, Singapore 415937;
- b) A motor vehicle under a finance lease; and
- c) A corporate guarantee by the Company.

**1(c) A statement of cashflows (for the group), together with a comparative statement, for the corresponding period of the immediately preceding financial year.**

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	Group		Group	
	Q3 FY2016	Q3 FY2015	9M FY2016	9M FY2015
	\$'000	\$'000	\$'000	\$'000
<b>Operating activities</b>				
Profit before income tax	4,225	2,453	13,401	10,691
Adjustments for:				
Depreciation expense	896	879	2,563	2,673
Loss on property, plant and equipment written off	-	29	29	39
Interest income	(92)	(24)	(178)	(47)
Finance costs	5	13	15	28
Dividend income from short-term investments	(7)	(21)	(7)	(116)
Gain on disposal of property, plant and equipment	-	(4)	(34)	(4)
Gain on disposal of short-term investments	-	(63)	-	(134)
Fair value loss/(gain) on short-term investments	3	-	3	(210)
Share of results of an associate	(93)	-	(116)	(30)
Operating cash flows before movements in working capital	4,937	3,262	15,676	12,890
Trade and other receivables	(1,451)	(1,337)	(1,191)	(1,547)
Inventories	229	61	101	161
Trade and other payables	400	706	(1,616)	(303)
Cash generated from operations	4,115	2,692	12,970	11,201
Interest income	92	24	178	47
Finance costs	(5)	(13)	(15)	(28)
Income tax paid	(753)	(1,073)	(1,615)	(2,461)
Net cash from operating activities	3,449	1,630	11,518	8,759
<b>Investing activities</b>				
Acquisition of property, plant and equipment	(776)	(748)	(4,479)	(3,117)
Proceeds from disposal of short-term investments	-	2,529	-	3,360
Proceeds from disposal of property, plant and equipment	-	15	83	15
Dividend income from short-term investments	7	21	7	116
Acquisition of available-for-sale investment	(7)	(6)	(7)	(12)
Net cash (used in)/generated from investing activities	(776)	1,811	(4,396)	362
<b>Financing activities</b>				
Additional capital contribution from non-controlling interest in a subsidiary	-	-	-	570
Dividend paid to owners of the Company	-	-	(50,844)	(1,000)
Dividend paid to non-controlling interests	-	-	(898)	-
Proceeds from issue of shares, net of IPO expenses	-	-	38,839	-
Repayment of finance lease	(15)	(102)	(45)	(165)
Repayment of bank borrowing	(24)	(25)	(72)	(71)
Net cash used in financing activities	(39)	(127)	(13,020)	(666)
Net increase/(decrease) in cash and cash equivalents	2,634	3,314	(5,898)	8,455
Cash and cash equivalents at beginning of the period	51,388	52,635	60,061	47,438
Effect of foreign exchange rate changes	30	83	(111)	139
<b>Cash and cash equivalents at end of the period</b>	<b>54,052</b>	<b>56,032</b>	<b>54,052</b>	<b>56,032</b>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

Group (\$'000)	Share Capital	Currency translation reserve	Merger reserve	Equity reserve	Retained earnings	Equity attributable to owners of the Company	Fellow co-operative venturer's interests	Non-controlling interests	Total
<b>Balance at 1 Oct 2014</b>	<b>2,596</b>	<b>22</b>	<b>-</b>	<b>95</b>	<b>44,396</b>	<b>47,109</b>	<b>3,288</b>	<b>1,621</b>	<b>52,018</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	5,567	5,567	1,186	250	7,003
Other comprehensive income	-	150	-	-	-	150	-	51	201
Transactions with owners, recognised directly in equity									
Dividend paid to owners of the Company	-	-	-	-	(1,000)	(1,000)	-	-	(1,000)
Additional capital contribution from non-controlling interest	-	-	-	-	-	-	-	570	570
<b>Balance at 31 Mar 2015</b>	<b>2,596</b>	<b>172</b>	<b>-</b>	<b>95</b>	<b>48,963</b>	<b>51,826</b>	<b>4,474</b>	<b>2,492</b>	<b>58,792</b>
Total comprehensive income for the period									
Profit for the period	-	-	-	-	1,692	1,692	308	136	2,136
Other comprehensive income	-	56	-	-	-	56	-	24	80
<b>Balance at 30 Jun 2015</b>	<b>2,596</b>	<b>228</b>	<b>-</b>	<b>95</b>	<b>50,655</b>	<b>53,574</b>	<b>4,782</b>	<b>2,652</b>	<b>61,008</b>
<b>Balance at 1 Oct 2015</b>	<b>2,596</b>	<b>237</b>	<b>-</b>	<b>95</b>	<b>53,995</b>	<b>56,923</b>	<b>5,440</b>	<b>2,834</b>	<b>65,197</b>
Issue of shares	38,839	-	-	-	-	38,839	-	-	38,839
Acquisition of remaining interest in fellow co-operative ventures	3,369	-	-	-	2,304	5,673	(5,440)	-	233
Acquisition of remaining interest in a subsidiary	809	-	-	(95)	(433)	281	-	(281)	-
Adjustment pursuant to the Restructuring Exercise	(2,596)	-	(2,828)	-	-	(5,424)	-	-	(5,424)
Issue of shares pursuant to the Restructuring Exercise	5,424	-	-	-	-	5,424	-	-	5,424
Total comprehensive income for the period									
Profit for the period	-	-	-	-	7,905	7,905	-	27	7,932
Other comprehensive income	-	(263)	-	-	-	(263)	-	(96)	(359)
Transactions with owners, recognised directly in equity									
Dividend paid to owners of the Company	-	-	-	-	(50,844)	(50,844)	-	-	(50,844)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(898)	(898)
<b>Balance at 31 Mar 2016</b>	<b>48,441</b>	<b>(26)</b>	<b>(2,828)</b>	<b>-</b>	<b>12,927</b>	<b>58,514</b>	<b>-</b>	<b>1,586</b>	<b>60,100</b>



Acquisition of remaining interest in fellow co-operative venture	-	-	-	-	(872)	(872)	-	-	(872)
Total comprehensive income for the period	-	-	-	-	3,401	3,401	-	77	3,478
Profit for the period	-	-	-	-	-	19	-	8	27
Other comprehensive income	-	19	-	-	-	-	-	-	-
<b>Balance at 30 Jun 2016</b>	<b>48,441</b>	<b>(7)</b>	<b>(2,828)</b>	<b>-</b>	<b>15,456</b>	<b>61,062</b>	<b>-</b>	<b>1,671</b>	<b>62,733</b>

Company (\$'000)	Share Capital	(Accumulated Losses)/ Retained Earnings	Total
<b>Balance at date of incorporation, 4 Feb 2015</b>	-	-	-
Total comprehensive income for the period	-	(529)	(529)
Loss for the period	-	(529)	(529)
<b>Balance at 31 Mar 2015</b>	<b>-</b>	<b>(529)</b>	<b>(529)</b>
Total comprehensive income for the period	-	(1)	(1)
Loss for the period	-	(1)	(1)
<b>Balance at 30 Jun 2015</b>	<b>-</b>	<b>(530)</b>	<b>(530)</b>
<b>Balance at 1 Oct 2015</b>	-	(1,089)	(1,089)
Issue of shares	48,441	-	48,441
Total comprehensive income for the period	-	(931)	(931)
Loss for the period	-	(931)	(931)
<b>Balance at 31 Mar 2016</b>	<b>48,441</b>	<b>(2,020)</b>	<b>46,421</b>
Total comprehensive income for the period	-	9,954	9,954
Profit for the period	-	9,954	9,954
<b>Balance at 30 Jun 2016</b>	<b>48,441</b>	<b>7,934</b>	<b>56,375</b>



**1(d)(ii) Details of any changes in the company's share capital arising from rights issues, bonus issues, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issues of shares for cash or as consideration for acquisition of for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There has been no change to the Company's share capital since 31 March 2016.

There are no outstanding convertibles or treasury shares as at 30 June 2016 and 30 June 2015.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year.**

	As at 30 Jun 2016	As at 30 Sep 2015
Total number of issued shares excluding treasury shares	641,333,000	2

**1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and /or use of treasury share as at the end of the current financial period reported on.**

There are no treasury shares held by the Company.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the auditors of the Company.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the Group's financial statements for the nine-month period ended 30 June 2016 as its most recently audited financial statements for the financial year ended 30 September 2015.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There are no changes in the Group's accounting policies and methods of computation including any required by an accounting standard. The adoption of the new and revised Financial Reporting Standards (including their consequential amendments) and interpretations is assessed to have no material impact on the results of the Group and of the Company for the nine-month period ended 30 June 2016.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

**Earnings per share ("EPS")**

	Group			
	Q3 FY2016	Q3 FY2015	9M FY2016	9M FY2015
Profit attributable to owners of the Company (\$'000)	3,401	1,692	11,306	7,259
Number of ordinary shares ('000)	641,333	641,333	641,333	641,333
Basic and diluted EPS (cents)	0.5	0.3	1.8	1.1

For comparative purposes, the EPS for the respective financial periods 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, 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 beginning of the respective financial periods.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:**

- (a) Current financial period reported on; and
- (b) Immediately preceding financial year.

**Net asset value ("NAV")**

	Group As at		Company As at	
	30 Jun 2016	30 Sep 2015	30 Jun 2016	30 Sep 2015
NAV (\$'000)	61,062	56,923	56,375	(1,089)
Number of ordinary shares ('000)	641,333	641,333	641,333	641,333
NAV per share (cents)	9.5	8.9	8.8	(0.2)

For comparative purposes, the calculation for the NAV per share as at the end of the respective financial periods is based on the post-IPO share capital of 641,333,000 shares, 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 periods.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**REVIEW OF THE GROUP'S PERFORMANCE**

Revenue

Revenue increased by 13.8% or \$4.0 million, from \$28.7 million in Q3 FY2015 to \$32.7 million in Q3 FY2016 mainly due to revenue contributions from our two new Jumbo Seafood restaurants in Shanghai, PRC which opened in August 2015 and January 2016 respectively as well as an overall increase in revenue from the rest of our restaurants.

#### Cost of sales

Cost of sales which comprised raw materials and consumables used increased by 13.6% or \$1.4 million, from \$10.7 million in Q3 FY2015 to \$12.1 million in Q3 FY2016, in line with the increase in revenue. Cost of sales as a percentage of revenue remained stable at 37.1% in Q3 FY2016 and 37.2% in Q3 FY2015.

#### Gross profit

Gross profit increased by 14.0% or \$2.6 million, from \$18.0 million in Q3 FY2015 to \$20.6 million in Q3 FY2016. Gross profit margin was 62.9% in Q3 FY2016 and 62.8% in Q3 FY2015.

#### Other income

Other income increased by 59.4% or \$0.4 million, from \$0.5 million in Q3 FY2015 to \$0.9 million in Q3 FY2016, mainly due to the write back of provision of loan and higher interest income.

#### Employee benefits expense

Employee benefits expense increased by 12.1% or \$1.1 million, from \$8.7 million in Q3 FY2015 to \$9.8 million in Q3 FY2016. This was mainly due to an increase in the number of employees in Shanghai, PRC, for our two new Jumbo Seafood restaurants. In addition, there was an overall increase in headcount and salaries for the Group's operations in Singapore.

#### Operating lease expenses

Operating lease expenses increased by 9.8% or \$0.3 million, from \$2.5 million in Q3 FY2015 to \$2.8 million in Q3 FY2016 mainly due to the leases for our two new Jumbo Seafood restaurants in Shanghai, PRC.

#### Depreciation expense

Depreciation expense increased slightly by 1.9% or \$0.02 million, from \$0.88 million in Q3 FY2015 to \$0.90 million in Q3 FY2016 mainly due to the additional depreciation from the two new Jumbo Seafood restaurants in Shanghai, PRC which was offset by certain fixed assets being fully depreciated.

#### Other operating expenses

Other operating expenses decreased slightly by 2.6% or \$0.1 million, from \$3.1 million in Q3 FY2015 to \$3.0 million in Q3 FY2016, despite a higher increase in revenue.

#### Income tax expense

Income tax expense increased by 135.6% or \$0.4 million, from \$0.3 million in Q3 FY2015 to \$0.7 million in Q3 FY2016 mainly due to the taxes payable on our PRC operations.

#### Profit after tax

In view of the above, profit after tax increased by 62.8% or \$1.4 million, from \$2.1 million in Q3 FY2015 to \$3.5 million in Q3 FY2016.

#### Profit attributable to owners of the Company

Profit attributable to owners of the Company increased by 101.0% or \$1.7 million, from \$1.7 million in Q3 FY2015 to \$3.4 million in Q3 FY2016 mainly due to co-operative ventures and a subsidiary being fully owned by the Company after the Restructuring Exercise and an increase in net profit.

### **REVIEW OF THE GROUP'S FINANCIAL POSITION**

#### Current assets

The Group's current assets decreased by \$4.9 million from \$68.0 million as at 30 September 2015 to \$63.1 million as at 30 June 2016 mainly due to a decrease in cash and cash equivalents. Cash and cash equivalents decreased by \$6.0 million from \$60.1 million as at 30 September 2015 to \$54.1 million as at 30 June 2016 mainly due to dividend payment.

#### Non-current assets

The Group's non-current assets increased by \$1.8 million from \$15.5 million as at 30 September 2015 to \$17.3 million as at 30 June 2016 mainly due to an increase in property, plant and equipment. Property, plant and equipment increased by \$1.7 million from \$14.0 million as at 30 September 2015 to \$15.7 million as at 30 June 2016 mainly due to capital expenditure for the two new Jumbo Seafood restaurants in Shanghai, PRC.

#### Current liabilities

The Group's current liabilities decreased by \$0.6 million from \$17.6 million as at 30 September 2015 to \$17.0 million as at 30 June 2016 with lower trade and other payables which was partially offset by higher income tax payable.

#### Non-current liabilities

The Group's non-current liabilities decreased by \$0.1 million from \$0.7 million as at 30 September 2015 to \$0.6 million as at 30 June 2016 with lower bank borrowing and finance leases.

### **REVIEW OF THE GROUP'S CASH FLOW STATEMENT**

In Q3 FY2016, the Group generated net cash from operating activities before changes in working capital of \$4.9 million. Net cash used in working capital amounted to \$0.8 million mainly due to an increase in trade and other receivables of \$1.5 million and partially offset by an increase in trade and other payables of \$0.4 million and a decrease in inventories of \$0.2 million. Taking into account income tax paid of \$0.8 million, net cash generated from operating activities was \$3.4 million. Net cash used in investing activities amounted to \$0.8 million mainly due to acquisition of plant and equipment for the two new Jumbo Seafood restaurants in Shanghai, PRC. As a result, net cash and cash equivalents increased by \$2.6 million in Q3 FY2016.

#### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

#### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The food and beverage ("F&B") industry is expected to continue to be challenging, given the weak economic outlook coupled with pressure on operating costs.

The Group will continue to focus on cost rationalisation and improving work flow processes, manpower utilisation and information technology applications to increase productivity and efficiency and lower operating costs.

The Group will continue to explore for suitable opportunities to expand our network of F&B outlets and business through opening new outlets, acquisitions, joint ventures or strategic alliances with partners who can strengthen our market position and add value to our existing business.

Barring any unforeseen circumstances, the Group expects to continue to grow its business and remain profitable for FY2016.

#### **11. Dividend**

##### **(a) Any dividend declared for the current financial period reported on?**

Nil

##### **(b) Corresponding period of the immediately preceding financial year?**

Nil

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

**12. If no dividend has been declared/recommended, a statement to the effect.**

No dividend has been declared or recommended by the board of directors (“**Board**” or “**Directors**”) of the Company for the period under review.

**13. Interested person transaction**

The Group has not obtained a general mandate from shareholders for interested person transactions.

**14. Use of IPO proceeds**

The Company received net proceeds from the IPO of approximately \$37.2 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the Offer Document)	Net Proceeds utilised as at the date of this announcement	Balance of Net Proceeds as at the date of this announcement
	\$'000	\$'000	\$'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 <sup>(1)</sup>	13,700	(10,000)	3,700
	<u>37,200</u>	<u>(10,000)</u>	<u>27,200</u>

Note:

(1) Comprises operating expenses.

**15. Confirmation by the issuer pursuant to Rule 720(1)**

The Company has procured the undertakings from all its Directors and executive officer as required under Rule 720(1) of the Catalist Rules.

**16. Negative confirmation by the board pursuant to Rule 705(5)**

To the best knowledge of the Board, nothing has come to the attention of the Board which may render the unaudited financial results of the Group and the Company for Q3 FY2016 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

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Ang Kiam Meng  
CEO and Executive Chairman  
12<sup>th</sup> August 2016

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Tan Cher Liang  
Lead Independent Director  
12<sup>th</sup> August 2016