

JUMBO   
GROUP

CORPORATE PRESENTATION  
MAY 2020



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# AGENDA

- Corporate Overview
- Our Brands' Developments
- Growth Strategies
- Latest Financials



# CORPORATE OVERVIEW



# ABOUT JUMBO

## OUR HUMBLE BEGINNINGS



- Started out in Singapore in 1987 with a single JUMBO Seafood outlet (now our flagship restaurant) at the East Coast Seafood Centre

## OUR CURRENT ACHIEVEMENTS



- One of Singapore's leading multi-dining concept F&B establishments
- Listed on SGX Catalist since November 2015
- Famous for its Award-Winning Chilli Crab, a symbolic dish of Singapore
- Operates a network of 37 outlets, spanning across 15 cities in Asia



**We own 6 brands...**



**and manage 2 brands...**



**across 15 Cities in Asia**

# THE BIG NAME IN SEAFOOD



**1.8 tonnes**

of crabs sold  
each day<sup>1</sup>



**8,000**

diners served  
daily<sup>1</sup>



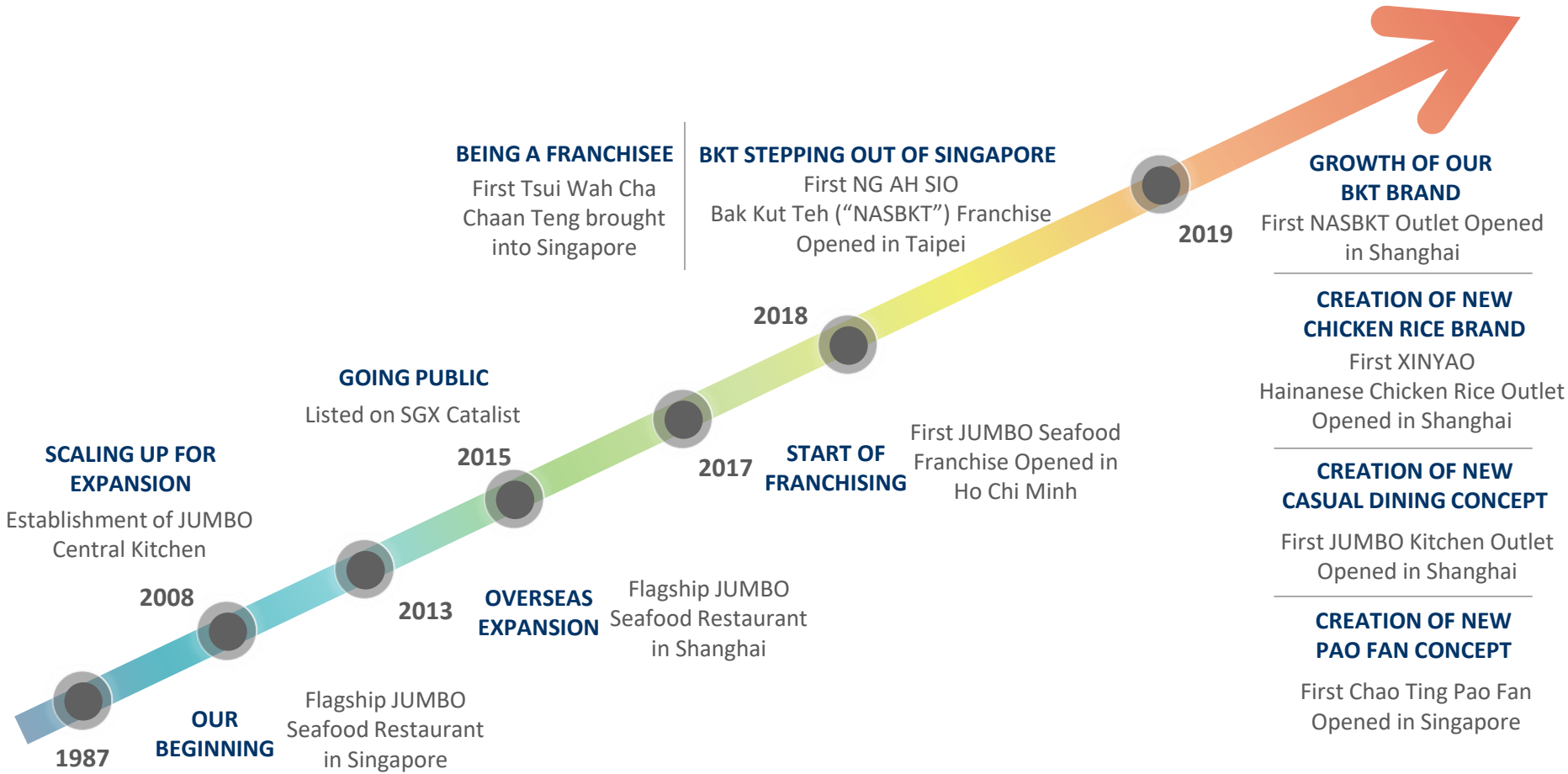
**1,052**

staff employed in Singapore,  
China & Taiwan<sup>2</sup>

1. Data based on FY2019

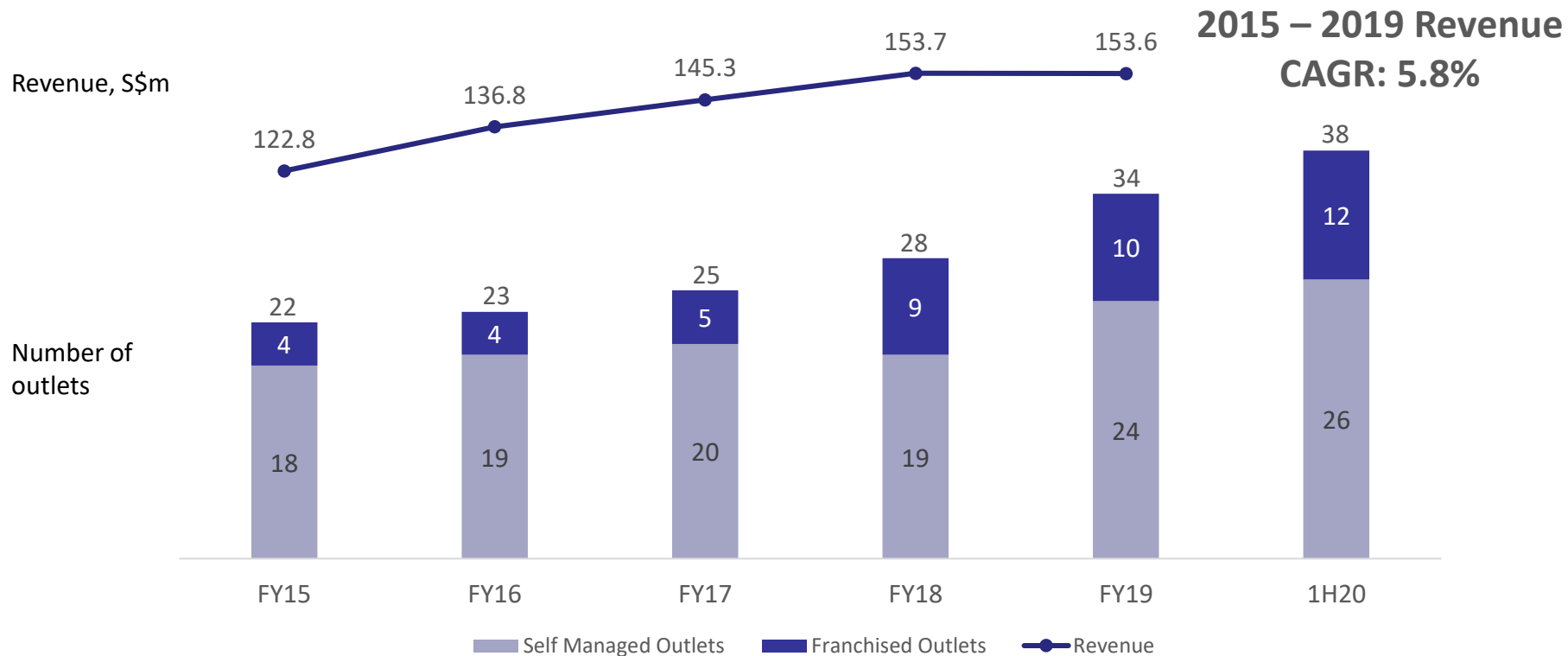
2. As of 31 March 2020

# CORPORATE MILESTONES





# NETWORK EXPANSION, GROWING TOPLINE



# NEW OUTLET OPENINGS

BRANDS	OCT 2018 – SEP 2019		OCT 2019 – MAR 2020	
	NEW OUTLETS	CITIES	NEW OUTLETS	CITIES
<b>JUMBO Seafood</b>				
<i>Self Managed</i>	2	Singapore	-	-
<i>Franchise</i>	1	Seoul	1	Ilsan
<b>JUMBO Kitchen (Self Managed)</b>	1	Shanghai	-	
<b>Zui Teochew Cuisine (Self Managed)</b>	1	Singapore	-	
<b>Chao Ting (Self Managed)</b>	1	Singapore	-	
<b>NASBKT</b>				
<i>Self Managed</i>	-	-	1	Shanghai
<i>Franchise</i>	2	Hsinchu & Taipei	1	Taoyuan
<b>XINYAO Hainanese Chicken Rice (Self Managed)</b>	-	-	1	Shanghai
<b>Tsui Wah (Self Managed)</b>	1	Singapore	-	
<b>Total</b>	<b>9</b>		<b>4</b>	

**OUR BRANDS'  
DEVELOPMENTS**





- Our pioneer brand – Renowned for its Singapore-style seafood cuisine
- Iconic Award-Winning Chilli Crab

Cities	Number of Outlets	
Singapore	6	2 new outlets added in FY2019, namely ION Orchard (Dec 18) & Jewel (Apr 19)
Shanghai	3	
Beijing	1	
Xi'an	1	
Taichung	1	Jumbo Group took over the management of these 2 outlets in Oct 19
Taipei	1	
Fuzhou	1	Franchised Outlets
Ho Chi Minh	1	
Bangkok	1	
Seoul	1	
Ilisan	1	
<b>Total</b>	<b>18</b>	

# 珍宝

海鲜小厨  
JUMBO KITCHEN

- A new concept created in 2019, aimed to cater to the growing population of smaller families and the next generation
- Positioned as casual, quality yet affordable Singapore-style seafood cuisine



**First outlet started  
in Shanghai  
in October 2019**



NG AH SIO  
Bak Kut Teh



- Founded in 1955 with over a million bowls served since then
- A heritage dish renowned for its savoury, pork-based, peppery Teochew style soup

Cities	Number of Outlets	
Singapore	4	
Shanghai	1	New outlet opened in December 2019
Taipei	2	
Hsinchu	1	Franchised Outlets
Taoyuan	1	
<b>Total</b>	<b>9</b>	

# 醉

醉花林品潮轩  
CHUI HUAY LIM TEOCHEW CUISINE

醉字轩经典潮膳  
ZUI YU XUAN TEOCHEW CUISINE

- Well-known for high-quality, refined iconic Teochew classic dishes
- Strategically located within sites of historic significance in Singapore, syncing nicely with the elegance of Teochew cuisine



**Our second outlet, opened  
in April 2019,  
is located within a beautiful  
two-storey heritage building  
at Far East Square,  
Singapore**

一品  
泡  
饭

CHAO TING  
Teochew Pao Fan



- Another creative new concept introduced in 2019, aimed at the fast-moving crowd who still yearns to savour a bowl of delicious quality seafood broth without heading to a restaurant
- Casual quick-service establishment specialising in Teochew ‘Pao Fan’ – Perfectly cooked grains of rice served in flavourful broth

**First outlet started operation in April 2019, at Far East Square, Singapore**





新|肴|海|南|鸡|饭

XINYA 食 Hainanese  
Chicken Rice



- After BKT, we once again embark on the mission to introduce one of Singapore's famous national dishes, the Hainanese Chicken Rice, to those abroad
- Choosing Shanghai as the testbed for this new concept as this dish bonds the traditional culture and flavours of the same origin between Hainan (China) and Singapore

**First outlet commenced  
business in December 2019,  
at One ITC, Shanghai**

# 翠華

TSUI WAH  
SINCE 1967



- One of the most popular Hong Kong Style “Cha Chaan Teng” names, Jumbo Group brought the brand to Singapore in 2018, via a joint venture with Tsui Wah
- A symbolic move as Tsui Wah establishes its presence outside the Greater China region

**A second outlet was added at  
The Heeren, along Orchard  
Road, Singapore,  
in September 2019**

# Singapore Seafood Republic



- An unique collaboration between four of Singapore's best-loved seafood dining groups
- Finest of Singapore's seafood cuisine encapsulated under one roof



Cities	Number of Outlets	
Singapore	1	Managed by Jumbo Group
Tokyo	2	Licensed Outlets
Osaka	1	
<b>Total</b>	<b>4</b>	

# GROWTH STRATEGIES



# GROWTH DRIVERS

Expanding Our Reach By Staying Ahead of the Curve

## ORGANIC EXPANSION

- Leveraging on strong brand equity of current brands to deepen presence in existing markets, via opening of new outlets, and expansion of franchise / joint venture outlet network
- Innovation and development of new concepts

## INORGANIC GROWTH

Acquisitions of reputable and quality brands in similar or complementary industries to further strengthen our product offerings or enhance our capabilities

## INFRASTRUCTURE & CAPABILITIES

- Preparing for the future by focusing on these 4 key aspects:
- Increasing the efficiency and productivity of corporate and strategic functions
  - Enhancing Central Kitchen & Logistic Functions' capabilities to support growth and expansion
  - Investing in Information Technology Systems to further strengthen our competitive edge
  - Developing a robust human capital development framework to attract and groom talents

## WIDEN REVENUE SOURCES

- Retail packs
- Home delivery
- Catering
- Collaborations

# EXPANSION PLANS

- Expansions contingent upon economic recovery from the COVID-19 pandemic
- Singapore:
  - Expansion of Tsui Wah network & Chao Ting concept
- Expansion of franchise network in:
  - China: JUMBO Seafood & NASBKT
  - Vietnam: JUMBO Seafood
  - Thailand: JUMBO Seafood

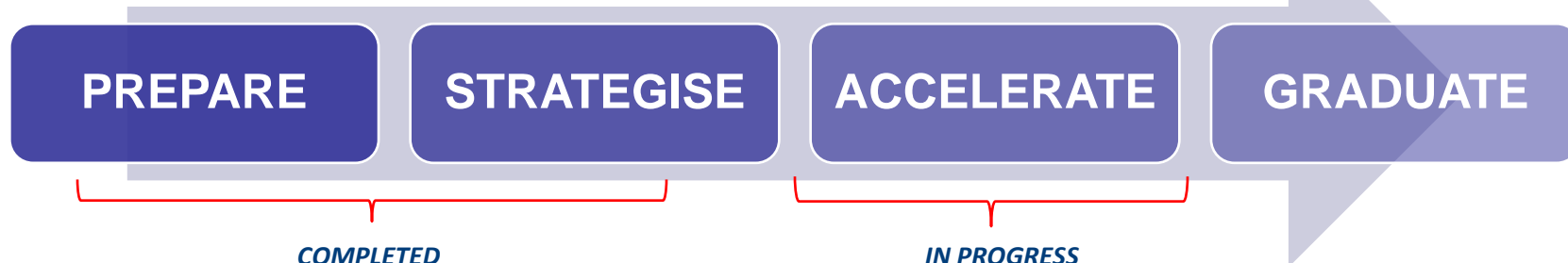


# SCALE-UP SG

**JUMBO is honoured to be selected to participate in the Scale-Up SG programme**



## SCALE-UP SG FRAMEWORK



- Identification of key focus areas  
*(i.e. revenue growth, M&A strategies and talent management)*
- Setting aspiration targets
- Drafted roadmap to achieve key objectives

- Business expansion – to incubate new ideas and expand product lines and concepts
- Digital transformation – to holistically address technical, management and people systems within a digital environment to succeed

*Note: Scale-Up SG is a programme initiated by Enterprise Singapore that helps selected high-growth local companies scale rapidly, become leaders in their fields and be groomed into future global champions.*

**LATEST  
FINANCIALS**





# FINANCIAL HIGHLIGHTS

<b>REVENUE</b> S\$66.7m (1H19: S\$76.7m) Down 13.1% YoY	<b>GROSS PROFIT</b> S\$41.7m (1H19: S\$49.2m) Down 15.3% YoY
<b>1H20</b>	
<b>PATOC<sup>1</sup></b> S\$2.1m (1H19: S\$7.4m) Down 71.5% YoY	<b>EBITDA<sup>2</sup></b> S\$9.9m (1H19: S\$11.1m) Down 10.6% YoY

## Key Summary:

- Topline significantly impacted by COVID-19, due to border controls, social distancing and lock-down measures, resulting in low footfall in outlets across all our key markets
- Gross profit further impacted by higher promotions and discounts to entice customers
- Minimal rental rebates and less than proportionate reduction in employee benefits expense due to fixed staff base
- Bottom line impact mitigated by Singapore Government's subsidies (e.g. Jobs Support Scheme ("JSS") and Foreign Workers' Levy rebates)
- No interim dividend declared to preserve liquidity for working capital requirements

1. PATOC: Profit attributable to Owners of the Company

2. EBITDA for 1H20 is not directly comparable against 1H19 due to the adoption of SFRS(I) 16, effective from 1 October 2019

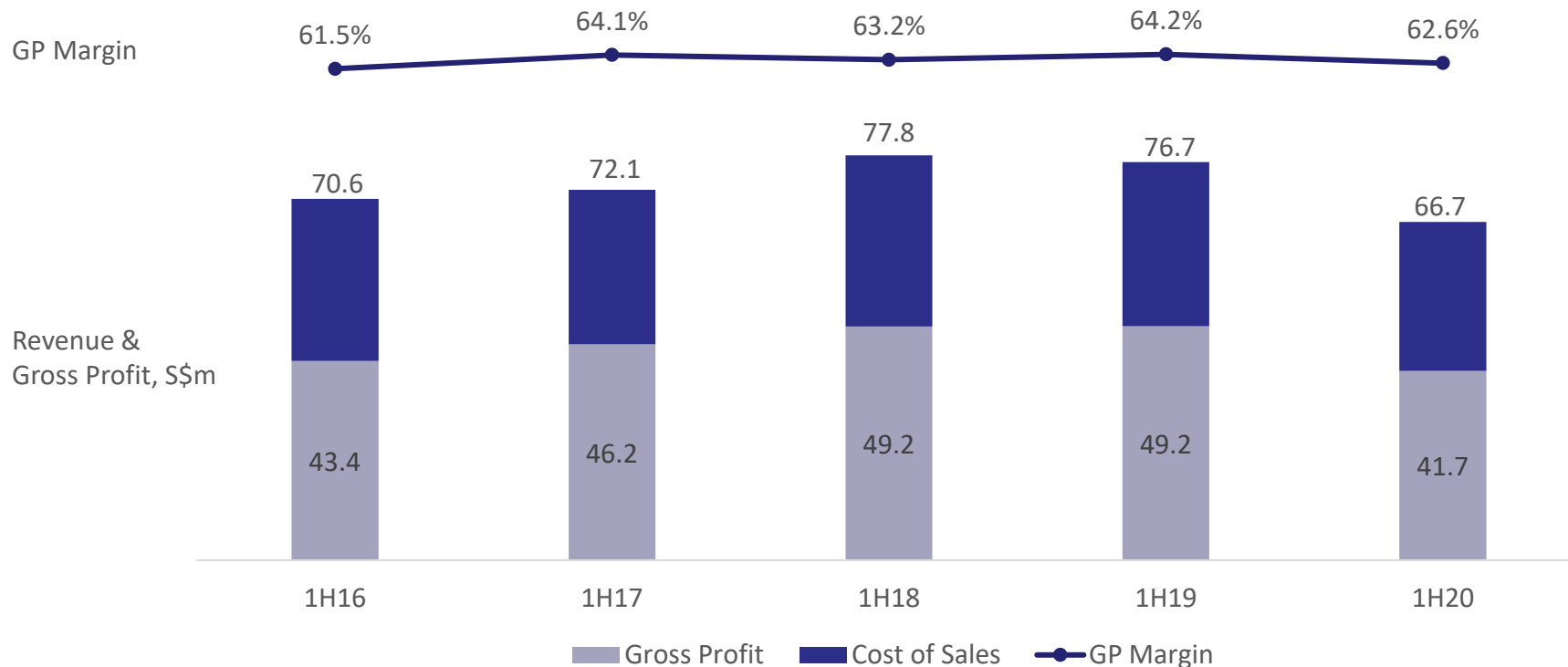
# FINANCIAL HIGHLIGHTS

## Operational Impact in January to March 2020 due to COVID-19

Singapore	China	Taiwan
<ul style="list-style-type: none"><li>• Falling footfall since CNY due to:<ul style="list-style-type: none"><li>▪ Ban of visitors from China since end January</li><li>▪ Stepping up of border controls in February and March</li><li>▪ Restrictions on large-scale events and social distancing measures from early February</li></ul></li><li>• Revenue for January to March 2020 much lower compared to same period last year</li></ul>	<ul style="list-style-type: none"><li>• Shanghai:<ul style="list-style-type: none"><li>▪ All outlets were ordered to close on 2nd &amp; 3rd day of CNY. Outlets in iAPM &amp; LV opened on 27 January, IFC on 9 February, while RCP only on 23 February</li><li>▪ Took opportunity to close iAPM outlet for renovation from 15 March to 5 May</li></ul></li><li>• Beijing: No closure; but footfall at SKP mall significantly impacted by movement control measures. Restrictions only lifted on 30 April 2020.</li><li>• Xi'An: Closed from 27 January to end-February</li><li>• Revenue for January to March 2020 much lower compared to same period last year</li></ul>	<ul style="list-style-type: none"><li>• Took over both JUMBO Seafood outlets from 1 October 2019</li><li>• Positive trend (i.e. YoY growth) in topline growth for November and December 2019, till COVID-19 hits with first domestic case diagnosed in late January 2020</li><li>• Situation in Taiwan has stabilised, though consumer sentiments remain muted</li></ul>

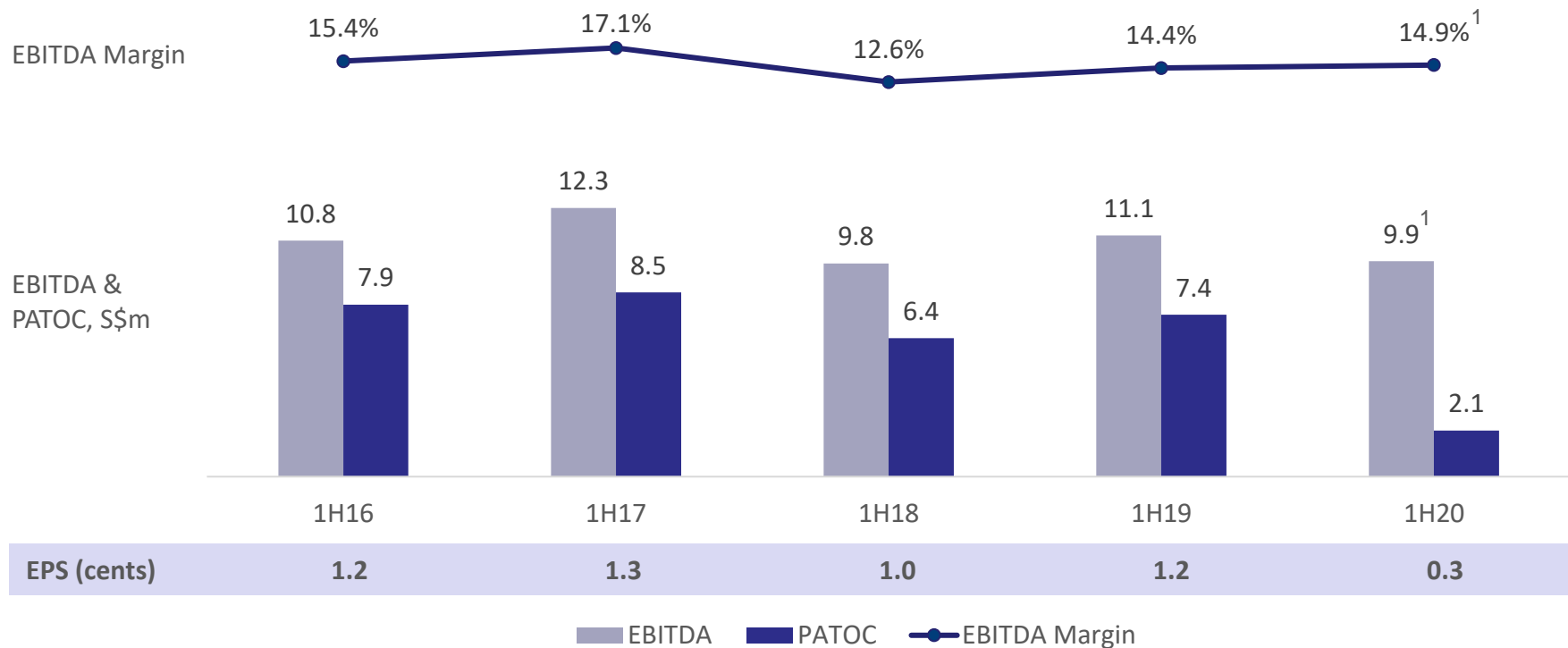
# FINANCIAL HIGHLIGHTS

## Revenue and Gross Profit impacted by COVID-19



# FINANCIAL HIGHLIGHTS

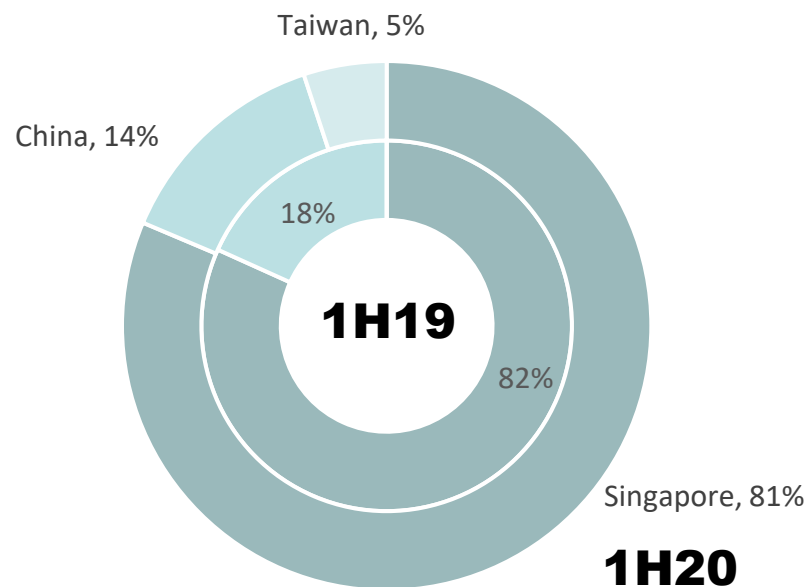
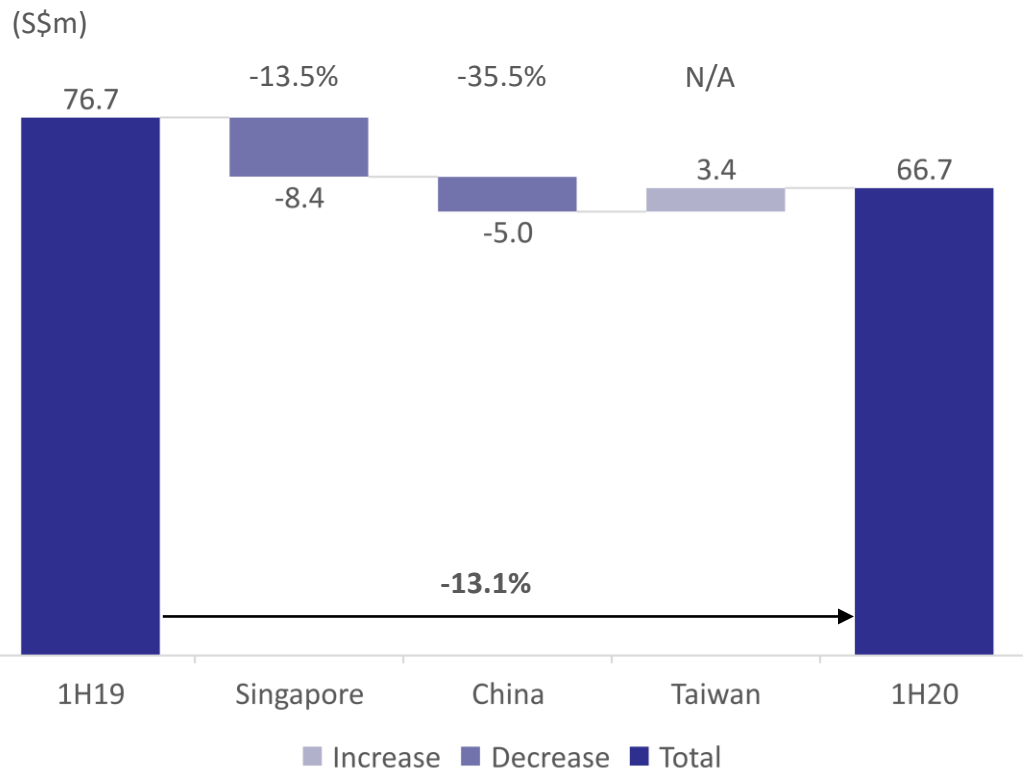
Lower profitability due to COVID-19, EBITDA impact mitigated by SFRS(I) 16 adoption



1. EBITDA for 1H20 is not directly comparable against 1H19 due to the adoption of SFRS(I) 16, effective from 1 October 2019.

# FINANCIAL HIGHLIGHTS

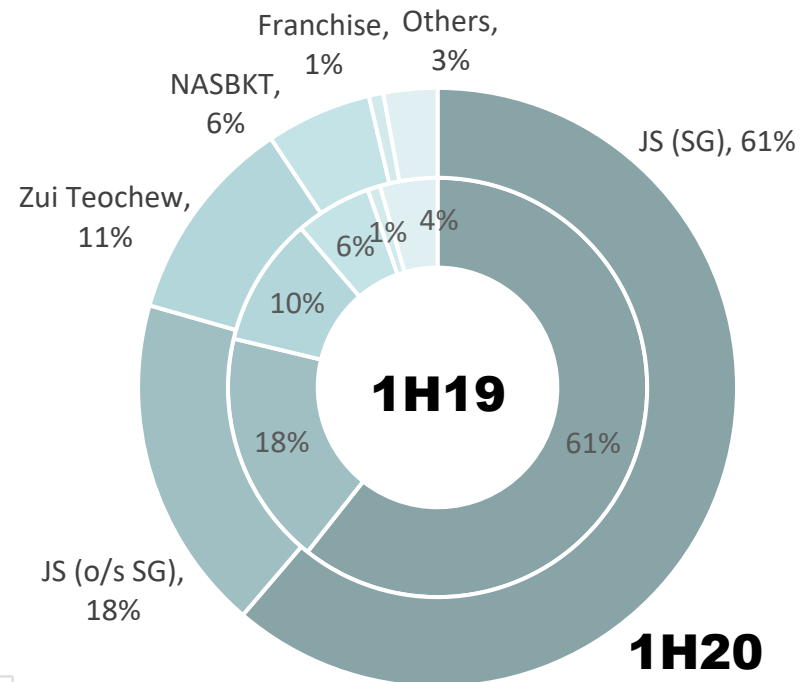
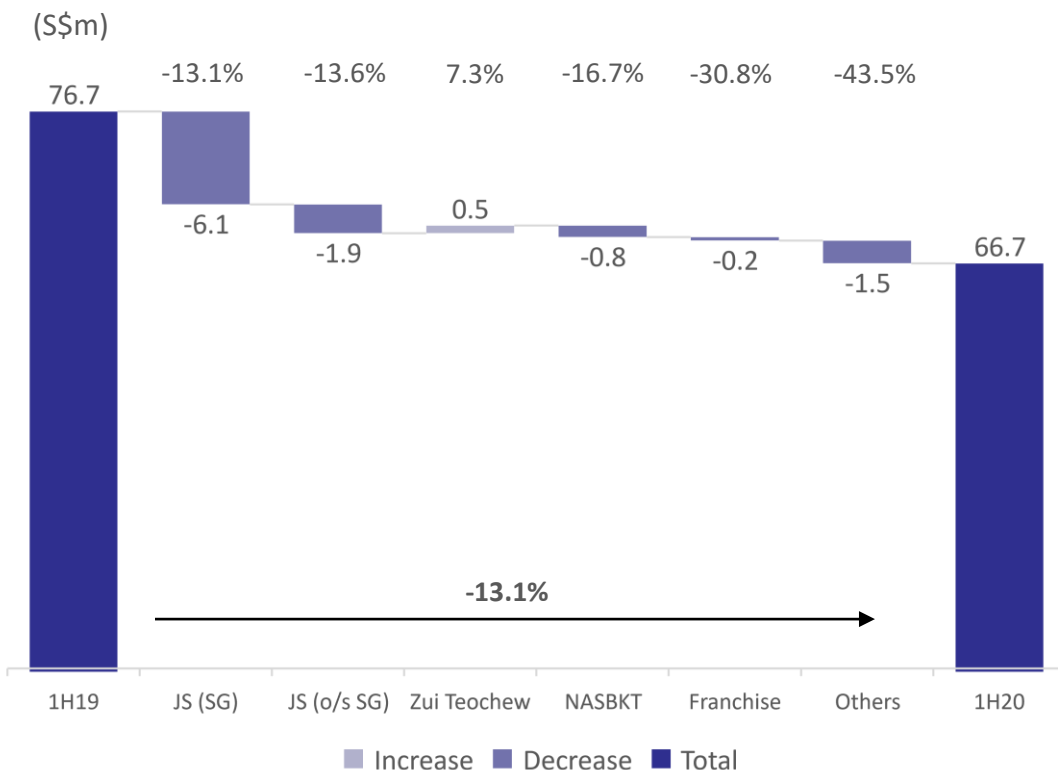
## Revenue Movement & Breakdown by Geography



Note: The Group acquired a major stake in the JUMBO Seafood business in Taiwan in October 2019.

# FINANCIAL HIGHLIGHTS

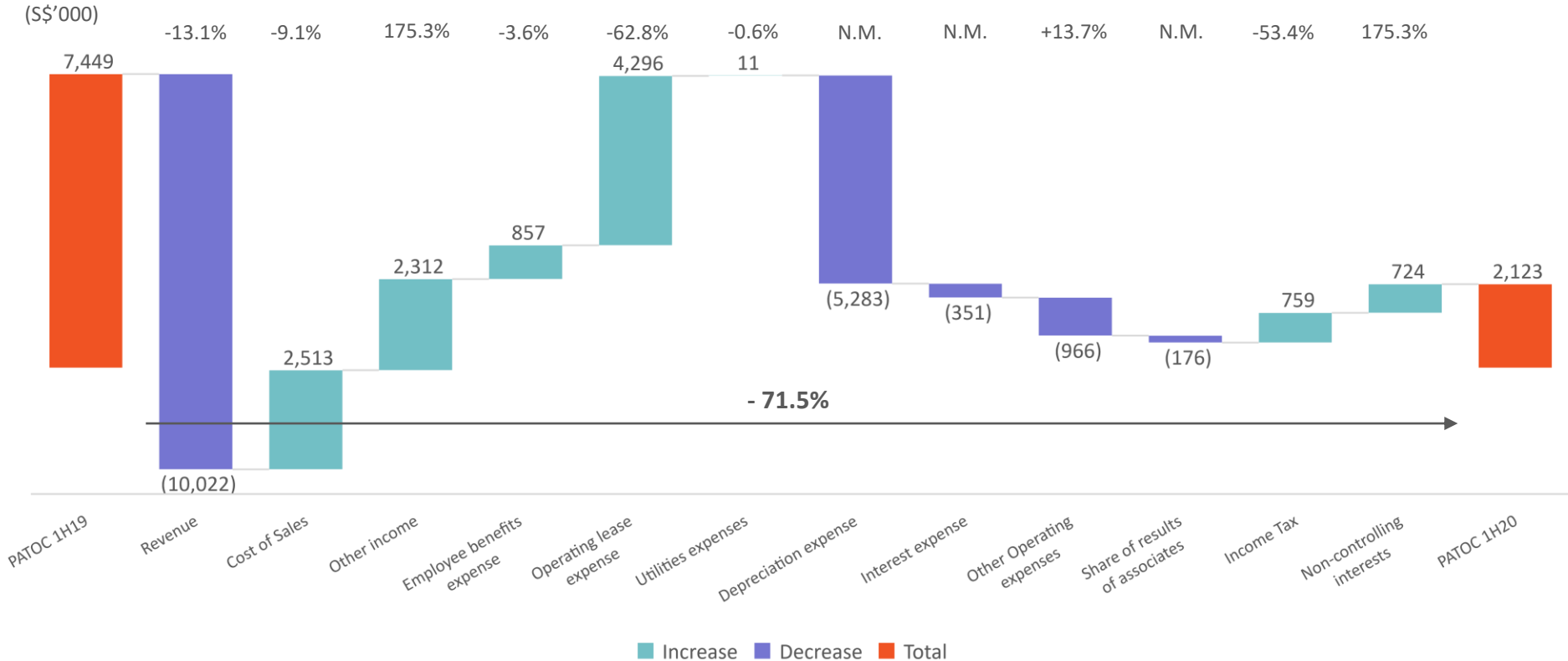
## Revenue Movement & Breakdown by Brands



Note: JS (o/s SG) refers to Jumbo Seafood outside Singapore (i.e. China and Taiwan)

# FINANCIAL HIGHLIGHTS

## PATOC movement, 1H20 vs 1H19



# PROFIT & LOSS

PROFIT & LOSS	1H20		1H19		Variance	
	S\$'000	% of Revenue	S\$'000	% of Revenue	S\$'000	%
Revenue	66,691	100.0%	76,713	100.0%	(10,022)	(13.1%)
Cost of sales	(24,973)	37.4%	(27,486)	35.8%	(2,513)	(9.1%)
Gross profit	41,718	62.6%	49,227	64.2%	(7,509)	(15.3%)
Other income	3,631	5.5%	1,319	1.7%	2,332	->100%
Employee benefits expense	(22,832)	34.2%	(23,689)	30.9%	(857)	(3.6%)
Operating lease expenses	(2,548)	3.8%	(6,844)	8.9%	(4,296)	(62.8%)
Utilities expenses	(1,893)	2.8%	(1,904)	2.5%	(11)	(0.6%)
Depreciation:						
- Property, plant and equipment	(3,300)	4.9%	(2,624)	3.4%	676	25.8%
- Right-of-use assets	(4,607)	6.9%	-	N.M.	4,607	N.M.
Interest expense:						
- Leases	(328)	0.5%	-	N.M.	328	N.M.
- Bank loans	(23)	0.0%	-	N.M.	23	N.M.
Other operating expenses	(8,001)	12.0%	(7,035)	9.2%	966	13.7%
Share of results of associates	(169)	0.3%	7	0.0%	(176)	N.M.
Profit before tax	1,648	2.5%	8,457	11.0%	(6,809)	(80.5%)
Income tax expense	(662)	1.0%	(1,421)	1.9%	(759)	(53.4%)
Profit for the period	986	1.5%	7,036	9.2%	(6,050)	(86.0%)
<b>EBITDA<sup>1</sup></b>	<b>9,906</b>	<b>14.9%</b>	<b>11,081</b>	<b>14.4%</b>	<b>(1,175)</b>	<b>(10.6%)</b>
<b>Profit Attributable to Shareholders</b>	<b>2,123</b>	<b>3.2%</b>	<b>7,449</b>	<b>9.7%</b>	<b>(5,326)</b>	<b>(71.5%)</b>
<b>EPS (Cents)</b>						
Basic and Diluted	<b>0.3</b>		<b>1.2</b>			

1. EBITDA for 1H20 is not directly comparable against 1H19 due to the adoption of SFRS(I) 16, effective from 1 October 2019



# BALANCE SHEET

ASSETS	As at	
	31 Mar 2020	30 Sep 2019
	S\$'000	S\$'000
<b>Current assets</b>		
Cash and cash equivalents	31,891	46,575
Trade and other receivables	16,312	14,107
Short-term investments	352	432
Inventories	2,187	1,714
<b>Total current assets</b>	<b>50,742</b>	<b>62,828</b>
<b>Non-current assets</b>		
Investment in associates	1,127	1,446
Available-for-sale investment	75	75
Investments at fair value through profit or loss	2,739	3,201
Goodwill and intangible assets <sup>1</sup>	1,866	782
Property, plant and equipment	26,371	21,764
Right-of-use assets ("ROU") <sup>2</sup>	15,962	-
Club memberships	238	238
<b>Total non-current assets</b>	<b>48,378</b>	<b>27,506</b>
<b>Total assets</b>	<b>99,120</b>	<b>90,334</b>

LIABILITIES AND EQUITY	As at	
	31 Mar 2020	30 Sep 2019
	S\$'000	S\$'000
<b>Current liabilities</b>		
Trade and other payables	6,891	13,466
Provision for reinstatement costs	2,023	2,051
Lease liabilities – ROU <sup>2</sup>	9,870	-
Bank borrowings	1,255	-
Income tax payable	2,003	2,470
<b>Total current liabilities</b>	<b>22,042</b>	<b>17,987</b>
<b>Non-current liabilities</b>		
Lease liabilities – ROU <sup>2</sup>	6,966	-
Bank borrowings	890	-
Deferred tax liability	370	370
<b>Total non-current liabilities</b>	<b>8,226</b>	<b>370</b>
<b>Capital and reserves</b>		
Share capital	48,806	48,806
Treasury shares	(438)	(447)
Currency translation reserve	(112)	(521)
Merger reserve	(2,828)	(2,828)
Retained earnings	20,708	23,728
<b>Equity attributable to owners of the Company</b>	<b>66,136</b>	<b>68,738</b>
Non-controlling interests	2,716	3,239
<b>Total equity</b>	<b>68,852</b>	<b>71,977</b>
<b>Total liabilities and equity</b>	<b>99,120</b>	<b>90,334</b>

- Increase mainly due to the acquisition of a majority interest in Taiwan Jumbo Seafood, which includes goodwill of S\$0.9 million
- Impact of adoption of SFRS(I) 16, effective from 1 October 2019

# CASHFLOW STATEMENT

CASHFLOW STATEMENT	1H20 S\$'000	1H19 S\$'000
Operating activities		
Profit before income tax	1,648	8,457
Adjustments for:		
Depreciation expense	3,300	2,624
Depreciation cost of right-of-use assets	4,607	-
Interest expense: leases	328	-
Interest income	(165)	(150)
Loss on property plant and equipment written off	350	111
Gain on disposal of property plant and equipment	(9)	(78)
Reversal of provision for reinstatement	-	(219)
Fair value loss on investments at fair value through profit or loss	462	472
Fair value loss/(gain) on short-term investments	80	(1)
Share of results of associates	169	(7)
Unrealised foreign exchange gain	412	61
<b>Operating cash flows before movements in working capital</b>	<b>11,182</b>	<b>11,270</b>
Trade and other receivables	(1,403)	(199)
Inventories	(345)	(360)
Trade and other payables	(7,405)	(2,177)
<b>Cash generated from operations</b>	<b>2,029</b>	<b>8,534</b>
Interest income	165	150
Income tax paid	(1,129)	(1,486)
<b>Net cash from operating activities</b>	<b>1,065</b>	<b>7,198</b>

	1H20 S\$'000	1H19 S\$'000
Investing activities		
Acquisition of property plant and equipment	(6,285)	(3,053)
Reduction of shares under associate	150	-
Transfer of treasury shares	168	40
Acquisition of treasury shares	(159)	(298)
Proceeds from disposal of property plant and equipment	9	6
Reinstatement costs paid	(26)	-
Acquisition of business assets	(938)	-
<b>Net cash used in investing activities</b>	<b>(7,081)</b>	<b>(3,305)</b>
Financing activities		
Dividend paid to owners of the Company	(4,485)	(4,488)
Repayment of lease obligations	(4,391)	-
Interest expense from lease liabilities paid	(328)	-
Proceeds from issuance of shares to non-controlling interest in a subsidiary company	540	-
<b>Net cash used in financing activities</b>	<b>(8,664)</b>	<b>(4,488)</b>
Net decrease in cash and cash equivalents	(14,680)	(595)
Cash and cash equivalents at beginning of the year	46,575	46,583
Effect of foreign exchange rate changes	(4)	(2)
<b>Cash and cash equivalents at end of the period</b>	<b>31,891</b>	<b>45,986</b>

# OUTLOOK

## Expects COVID-19 impact to be more pronounced in 2H20

### Singapore

- Closed 10 out of 16 outlets during Circuit Breaker (CB)
- Opened outlets can only cater to deliveries & takeaways
- Gradual improvement in revenue for opened outlets but still significantly below pre-COVID-19 level

### China & Taiwan

- Muted consumer sentiments
- Footfall in malls still recovering

### Outlook:

- Singapore's revenue to be substantially lower with outlets' closure during 2 months of CB
- Topline recovery anticipated to be slow after the lift of CB (in line with trends observed in Taiwan & China)
- Continue to maintain close dialogues with landlords to manage rental expenses
- Disciplined cost management, in terms of employee benefits expense – no bonus accruals, removal of unnecessary usage of casual labour and overtime
- To beef up range of services and products, online presence and digital capabilities to cater to changing consumers' behaviours and expectations
- Cashflow manageable:
  - ✓ Minimal borrowings
  - ✓ Adequate liquidity on hand
  - ✓ Government grants
  - ✓ Standby bank loans and facilities



JUMBO GROUP LIMITED  
**THANK YOU**

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