

# JIMBO® GROUP

**CORPORATE PRESENTATION**

MAY 2021



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# IMPORTANT NOTICE

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## JUMBO GROUP LIMITED CORPORATE PRESENTATION

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# AGENDA

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- Corporate Overview
- Latest Financial Results
- Strategies & Developments



# CORPORATE OVERVIEW



## OUR HUMBLE BEGINNING



- Started 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 34 F&B outlets, spanning across 14 cities in Asia

# CORPORATE MILESTONES



1987

## Our Beginning

Opened Flagship JUMBO Seafood Restaurant in Singapore

## Scaling Up For Expansion

Established JUMBO Central Kitchen

2008

## Maiden M&A

Acquired NG AH SIO Bak Kut Teh ("NASBKT")

2010

## Venturing Into Authentic Teochew Cuisine

Opened Chui Huay Lim Teochew Cuisine at Chui Huay Lim Club

2011

## Overseas Expansion

Opened Flagship JUMBO Seafood Restaurant in Shanghai

2013

## Going Public

Listed on SGX Catalist

2015



## Start of Franchising

Opened First JUMBO Seafood Franchise in Ho Chi Minh

2017

## Being a Franchisee

Brought First Tsui Wah Cha Chaan Teng into Singapore

2018

## BKT Stepping Out of Singapore

Opened First NASBKT Franchise Outlet in Taipei

2021

## Launch of First Virtual Brand

Birth of "HACK IT" – first virtual brand which focuses solely on takeaways and deliveries

2020

## First Inorganic Expansion Post Listing

Acquisition of Kok Kee Wonton Noodle Pte Ltd in Singapore

2019

## Various Firsts

- Opened First Self-Managed NASBKT Outlet in Shanghai
- Created XINYAO Hainanese Chicken Rice Brand. First Outlet Opened in Shanghai.
- Created Chao Ting Pao Fan Concept. Opened First outlet in Singapore.

# JUMBO GROUP OF RESTAURANTS



**JUMBO SEAFOOD**  
The Big Name in Seafood



### *Our Pioneer Brand*

Renowned for its Singapore-style seafood cuisine  
& iconic Award-Winning Chilli Crab

### *Teochew Cooking at its Finest*

Well-known for high-quality, refined iconic Teochew classic dishes with both outlets strategically located within sites of historic significance in Singapore



醉花林品潮轩  
CHUI HUAY LIM TEOCHEW CUISINE

醉宇轩经典潮膳  
ZUI YU XUAN TEOCHEW CUISINE

**ZUI TEOCHEW CUISINE**  
Authentic Teochew Cuisine

# JUMBO GROUP OF RESTAURANTS



**NG AH SIO BAK KUT TEH**  
Taste of Heritage

## *A Heritage Singapore Dish*

Founded in 1955 with over a million bowls served since. Renowned for its savoury, pork-based, peppery Teochew-style soup

**CHAO TING**  
Teochew Gourmet Bowl



一品泡飯  
**CHAO TING**  
Teochew Pao Fan

## *Modern Twists to Classic Dish*

A creative concept started in 2019, the casual quick-service establishment specialises in Teochew 'Pao Fan' – perfectly cooked grains of rice served in flavourful broth, targeting at fast-moving diners who still yearn for delicious quality seafood broth without heading to a restaurant





## XINYAO HAINANESE CHICKEN RICE



### *Spreading Love for Local Delights*

First outlet opened in December 2019 at One ITC, Shanghai, to introduce one of Singapore's famous national dishes, the Hainanese Chicken Rice, to those abroad

A dish which bonds the traditional culture and flavours of the same origin between Hainan (China) and Singapore

# JUMBO GROUP OF RESTAURANTS



**HACK IT**  
Hack-liciously Fun



## *Cultivating THAT Attitude for Food*

The first virtual dining concept launched in December 2020, delivering affordable, fresh seafood cooked in bombastic Southeast Asian sauces, packed away in a bag HACK IT – a term used to describe the action of cracking or smashing. The carpe diem sentiment of HACK IT exudes a “You Only Live Once (YOLO)” attitude of having fun and seizing the day with one’s favourite seafood, whenever and wherever

## *Propagating Hawker Culture*

Our first acquired brand post listing

A brand started in 1985, well-loved by locals for its springy noodles and special lard-based sauce, soup dumplings and crispy wontons



**KOK KEE WANTON NOODLE**  
A Timeless Comfort

國 記 雲 吞 麵  
KOK KEE WANTON NOODLE

# CONCEPTS MANAGED BY JUMBO GROUP

## *Best of All Worlds*

An unique collaboration amongst four of Singapore best-loved seafood dining groups

Finest of Singapore seafood cuisine encapsulated under one roof



**SINGAPORE  
SEAFOOD REPUBLIC**

Singapore's best loved seafood brands under one roof



翠華  
TSUI WAH  
SINCE 1967

**TSUI WAH**  
The Allure of Hong Kong  
Classic Flavours

## *Bringing Hong Kong To You*

JUMBO brought this popular Hong Kong Style “Cha Chaan Teng” brand to Singapore in 2018 via a joint venture with Tsui Wah Group

A symbolic move as Tsui Wah establishes its presence outside the Greater China region

# OUR NETWORK

## 9 BRANDS, 34 OUTLETS, 14 CITIES

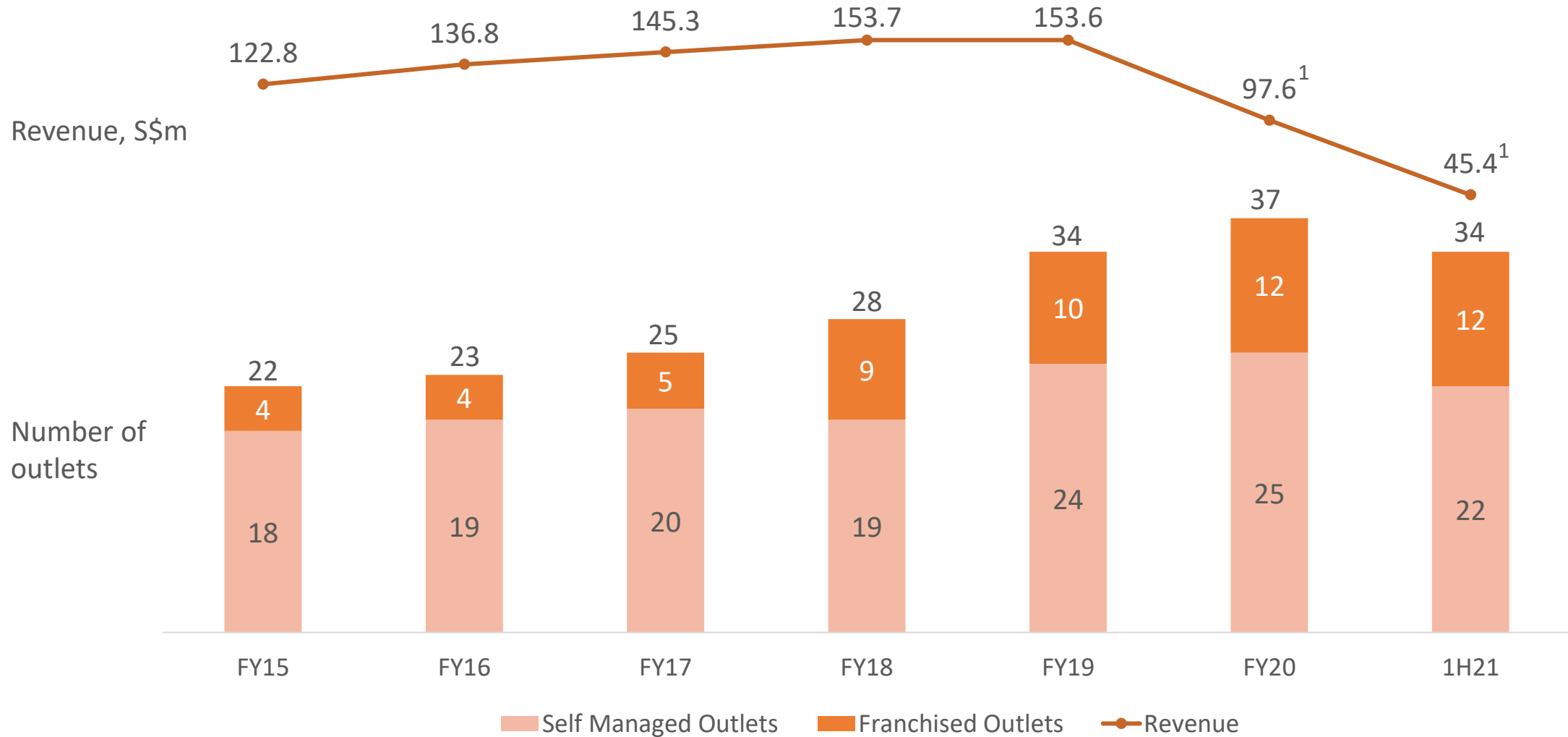
BRANDS	Number of Outlets	
	Existing	New from Oct 2020
<b>JUMBO Seafood</b>	<b>17</b>	
<i>Singapore</i>	5	-
<i>Shanghai</i>	3	-
<i>Beijing</i>	1	-
<i>Xi'an</i>	1	-
<i>Taichung</i>	1	-
<i>Taipei</i>	1	-
<i>Fuzhou</i>	1	1
<i>Ho Chi Minh</i>	1	-
<i>Bangkok</i>	1	-
<i>Seoul</i>	1	-
<b>Zui Teochew Cuisine</b>	<b>2</b>	
<i>Singapore</i>	2	-
<b>Chao Ting Pao Fan</b>	<b>2</b>	
<i>Singapore</i>	1	1

BRANDS	Number of Outlets	
	Existing	New from Oct 2020
<b>NASBKT</b>	<b>7</b>	
<i>Singapore</i>	2	-
<i>Shanghai</i>	1	-
<i>Taipei</i>	2	-
<i>Hsinchu</i>	1	-
<i>Taoyuan</i>	1	-
<b>Kok Kee Wanton Noodle</b>	<b>1</b>	
<i>Singapore</i>	-	1
<b>XINYAO Hainanese Chicken Rice</b>	<b>1</b>	
<i>Shanghai</i>	1	-
<b>Tsui Wah</b>	<b>1</b>	
<i>Singapore</i>	1	-
<b>Singapore Seafood Republic</b>	<b>3</b>	
<i>Tokyo</i>	2	-
<i>Osaka</i>	1	-

 Franchised outlet

Above are excluding HACK IT – JUMBO’s virtual brand, which focuses on takeaways and deliveries

# OUR REACH AND REVENUE



1. Growth momentum impacted by COVID-19 pandemic  
 2. Data as of each financial year end (i.e. 30 September), except for 1H21, which is as of 31 March 2021

**LATEST  
FINANCIAL  
RESULTS**  
***1H2021***



# FINANCIAL HIGHLIGHTS

<p><b>REVENUE</b> S\$45.4m (1H20: S\$66.7m) Down 31.9% YoY</p>	<p><b>GROSS PROFIT</b> S\$28.5m (1H20: S\$41.7m) Down 31.8% YoY</p>
<p><b>1H21</b></p>	
<p><b>(L)/PATOC<sup>1</sup></b> (S\$4.3m) (1H20: S\$2.1m) YoY N.M.</p>	<p><b>EBITDA</b> S\$5.8m (1H20: S\$9.9m) Down 41.1% YoY</p>

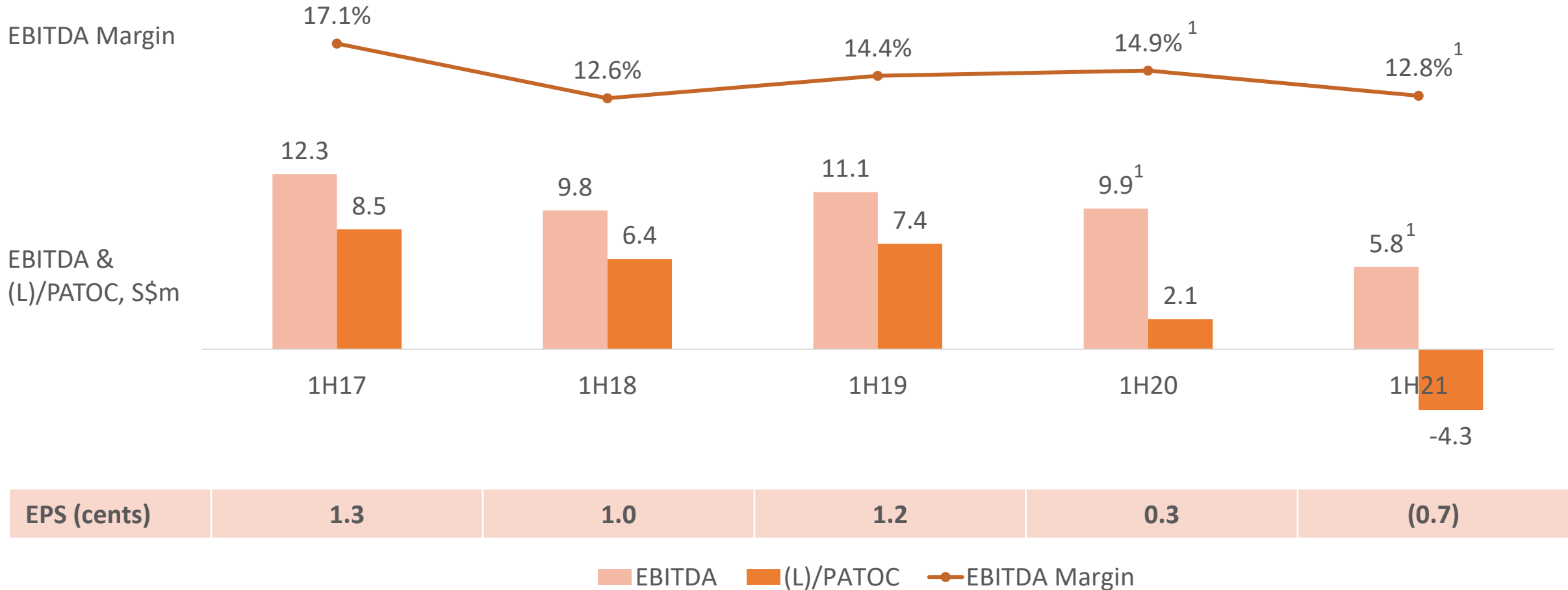
## Key Summary:

- Lower revenue mainly attributed to lackluster performance in Singapore, the Group's largest market, due to existing border controls, safe distancing measures and work-from-home arrangements which led to the much-reduced footfall in our restaurants
- Overseas markets are generally more positive with China and Taiwan registering improvements in both top and bottom line
- Despite the lower absolute amount, gross profit margin was relatively stable at 62.7%, compared to 1H20
- Cost optimisation efforts have resulted in declines in the key expense items, including employee benefits expense, utilities expenses and other operating expenses
- Other income, mainly comprising of Singapore government's grants and subsidies (e.g. Jobs Support Scheme and Wage Credit Scheme), amounted to S\$2.0m for 1H21
- No interim dividend declared to preserve liquidity for working capital requirements

1. (L)/PATOC: (Loss) / Profit attributable to Owners of the Company

# FINANCIAL HIGHLIGHTS

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

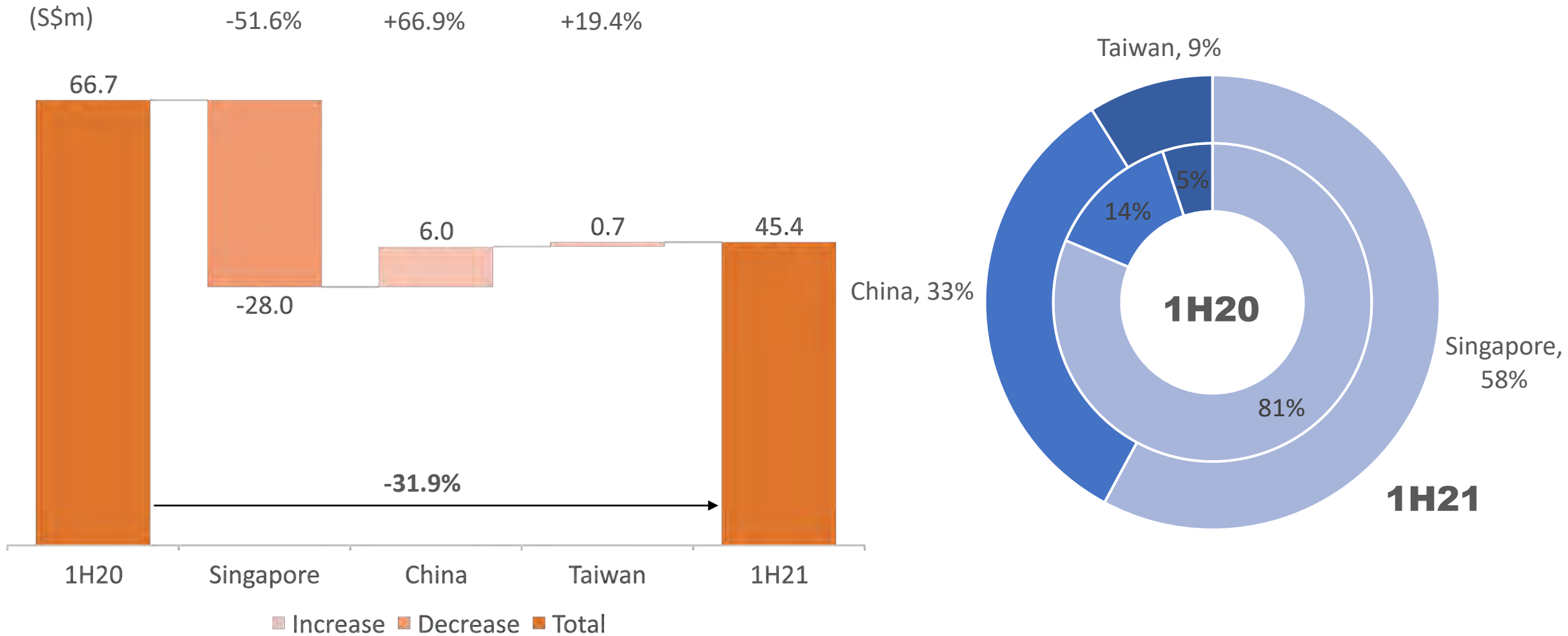


1. EBITDA for 1H21 & 1H20 are not directly comparable against prior periods due to the adoption of SFRS(I) 16, effective from 1 October 2019.



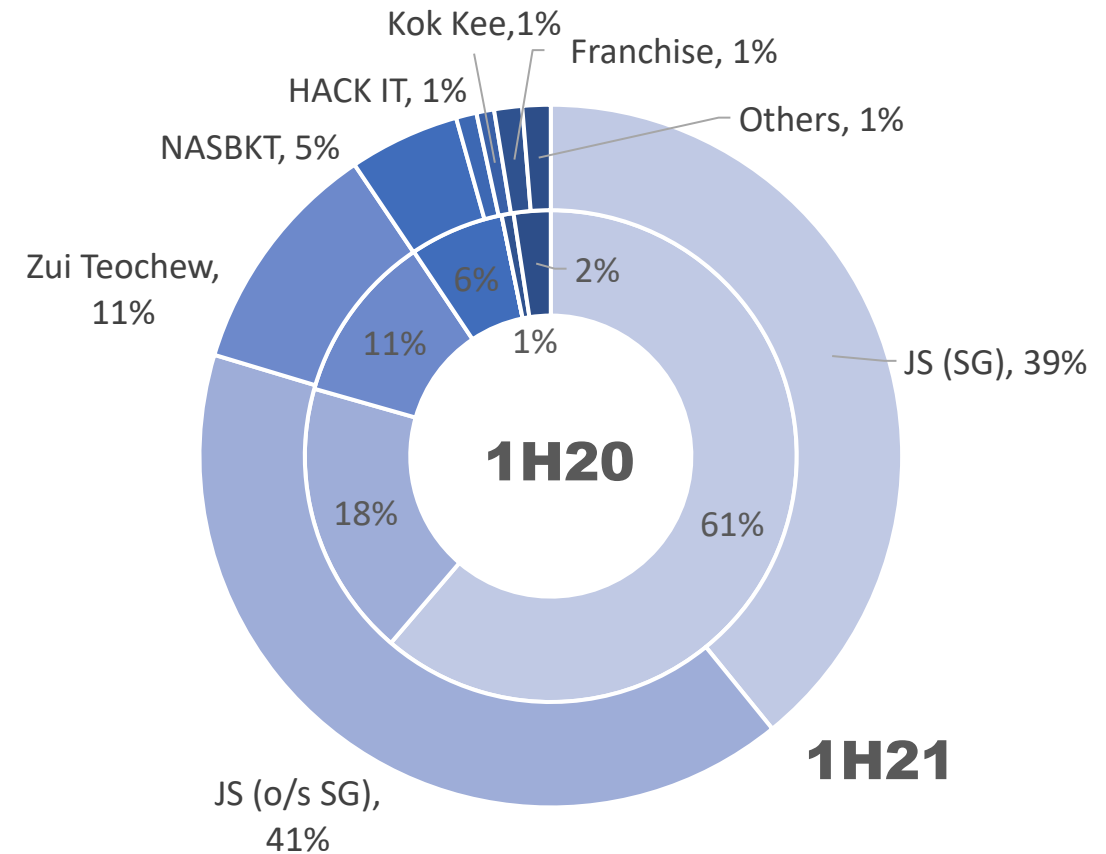
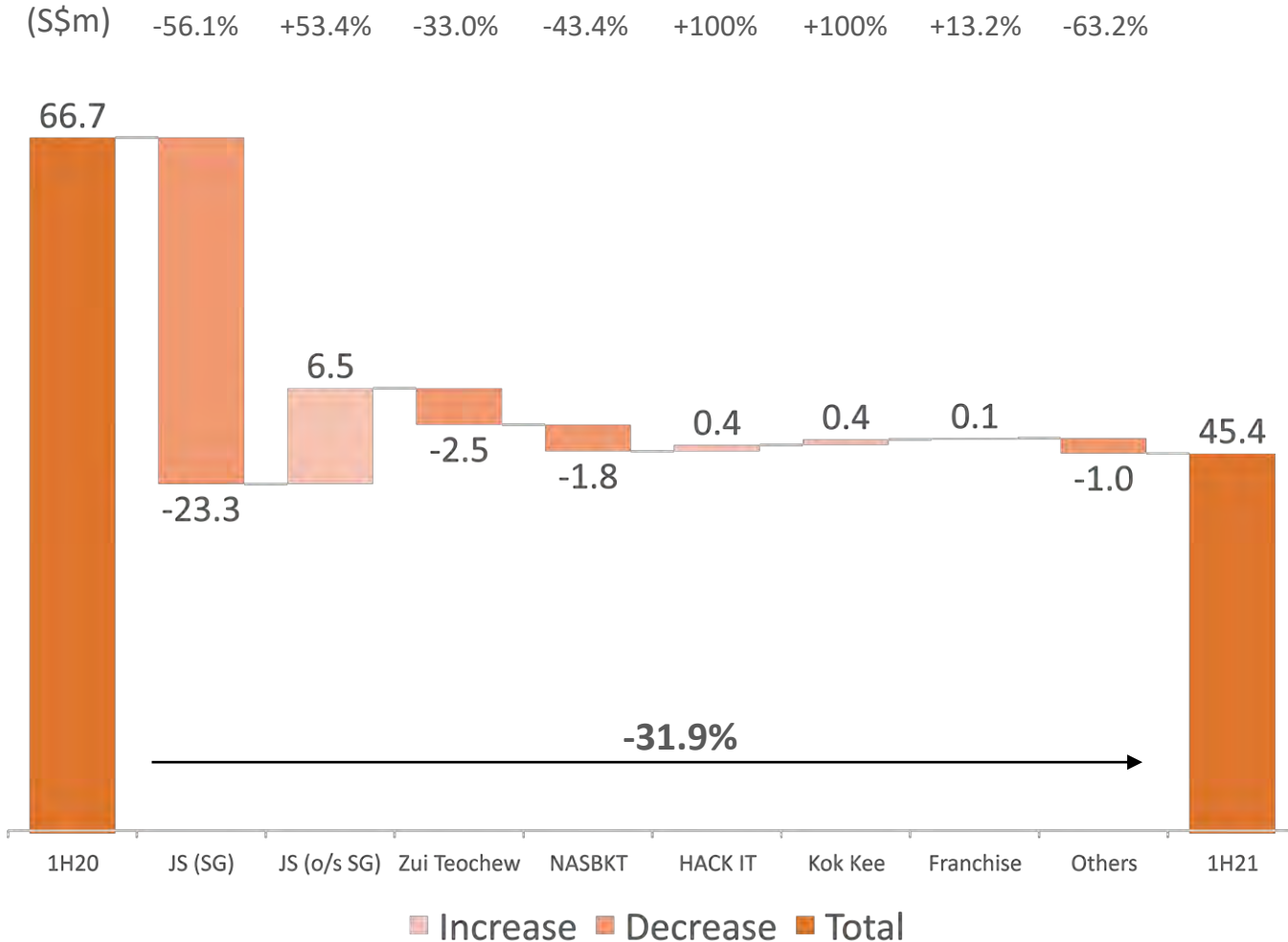
# FINANCIAL HIGHLIGHTS

## Revenue Movement & Breakdown by Geography



# FINANCIAL HIGHLIGHTS

## Revenue Movement & Breakdown by Brands

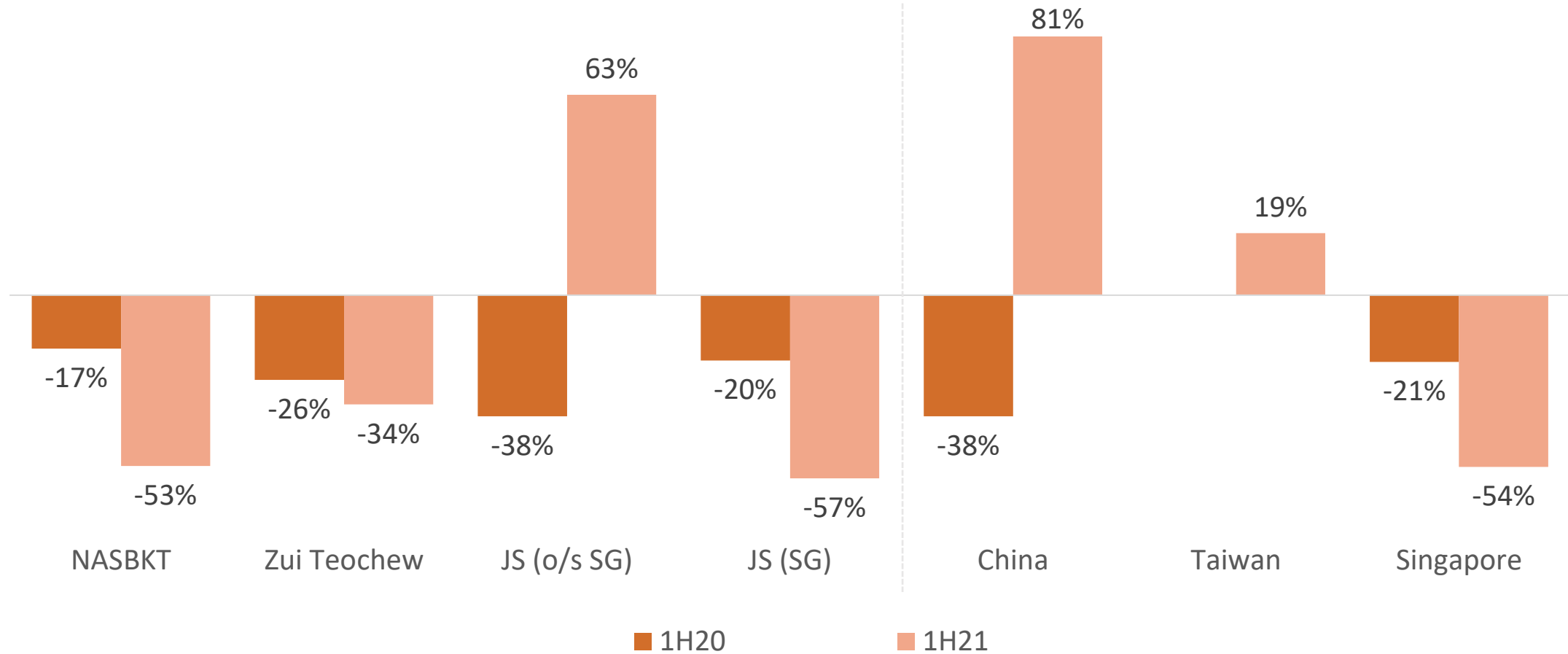


Notes:

1. JS (o/s SG) refers to JUMBO Seafood outside Singapore (i.e. China and Taiwan)
2. NASBKT includes the wholly-owned outlet in Shanghai

# FINANCIAL HIGHLIGHTS

## Same Store Sales Growth

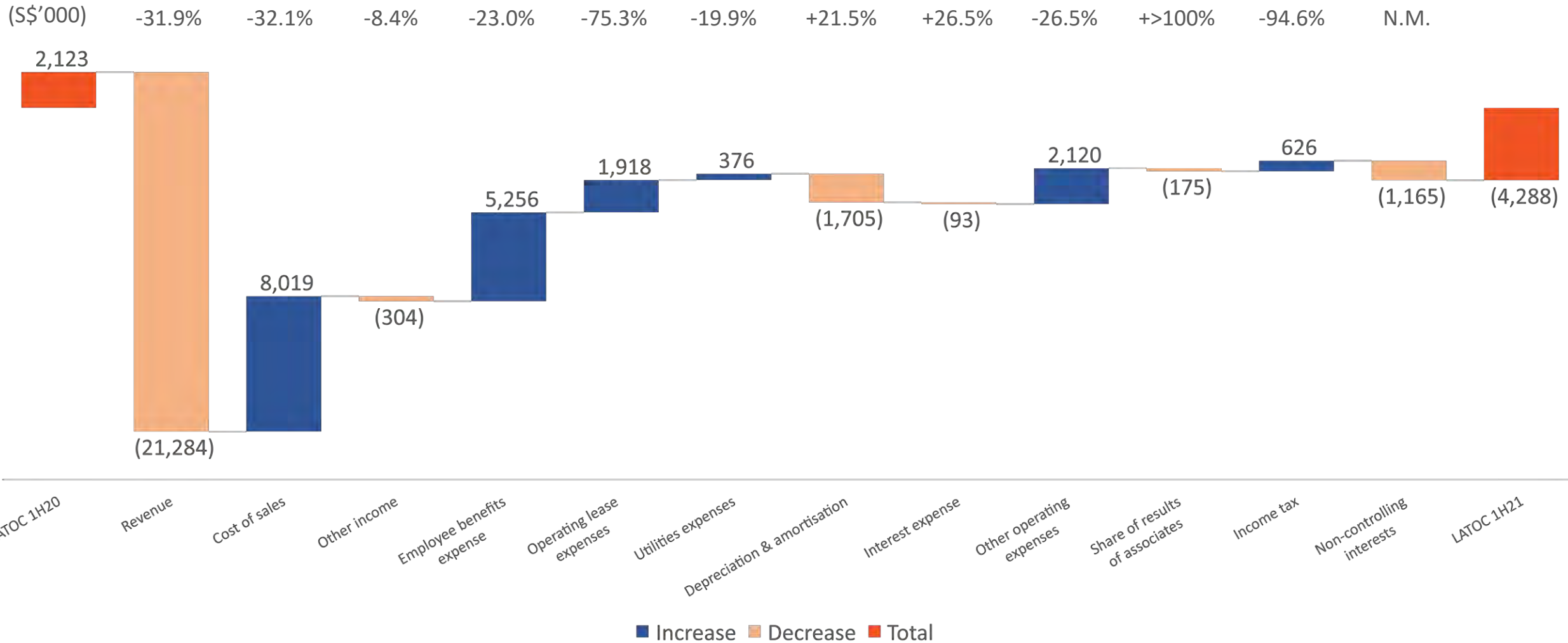


Notes:

- JS (o/s SG) refers to JUMBO Seafood outside Singapore (i.e. China and Taiwan)
- Same Store Sales Growth for Taiwan is only relevant from 1H21 as the Group acquired majority stake in JUMBO Seafood Business in Taiwan only in October 2019

# FINANCIAL HIGHLIGHTS

## PATOC movement, 1H21 vs 1H20



# PROFIT & LOSS

PROFIT & LOSS	1H21		1H20		Variance	
	S\$'000	% of Revenue	S\$'000	% of Revenue	S\$'000	%
Revenue	45,407	100.0%	66,691	100.0%	(21,284)	(31.9%)
Cost of sales	(16,954)	37.3%	(24,973)	37.4%	(8,019)	(32.1%)
<b>Gross profit</b>	<b>28,453</b>	<b>62.7%</b>	<b>41,718</b>	<b>62.6%</b>	<b>(13,265)</b>	<b>(31.8%)</b>
Other income	3,327	7.3%	3,631	5.5%	(304)	(8.4%)
Employee benefits expense	(17,576)	38.7%	(22,832)	34.2%	(5,256)	(23.0%)
Operating lease expenses	(630)	1.4%	(2,548)	3.8%	(1,918)	(75.3%)
Utilities expenses	(1,517)	3.3%	(1,893)	2.8%	(376)	(19.9%)
Depreciation:						
- Property, plant and equipment	(3,584)	7.9%	(3,300)	4.9%	284	8.6%
- Right-of-use assets	(6,028)	13.3%	(4,607)	6.9%	1,421	30.8%
- Intangible assets	(14)	-*	(14)	-*	-	-
Interest expense:						
- Leases	(386)	0.9%	(328)	0.5%	58	17.7%
- Bank loans	(58)	0.1%	(23)	-*	35	N.M.
Other operating expenses	(5,867)	12.9%	(7,987)	12.0%	(2,120)	(26.5%)
Share of results of associates	(344)	0.8%	(169)	0.3%	175	>100%
<b>(Loss)/Profit before tax</b>	<b>(4,224)</b>	<b>(9.3%)</b>	<b>1,648</b>	<b>2.5%</b>	<b>(5,872)</b>	<b>N.M.</b>
Income tax expense	(36)	0.1%	(662)	1.0%	(626)	(94.6%)
<b>(Loss)/Profit for the period</b>	<b>(4,260)</b>	<b>(9.4%)</b>	<b>986</b>	<b>1.5%</b>	<b>(5,238)</b>	<b>N.M.</b>
<b>EBITDA</b>	<b>5,896</b>	<b>13.0%</b>	<b>9,920</b>	<b>14.9%</b>	<b>(4,024)</b>	<b>(40.6%)</b>
<b>(Loss)/Profit Attributable to Owners of the Company</b>	<b>(4,288)</b>	<b>(9.4%)</b>	<b>2,123</b>	<b>3.2%</b>	<b>(6,403)</b>	<b>N.M.</b>
<b>EPS (Cents) – Basic and Diluted</b>	<b>(0.7)</b>		<b>0.3</b>			

\*: Less than 0.1%

# BALANCE SHEET

ASSETS	As at	
	31 Mar 2021	30 Sep 2020
	S\$'000	S\$'000
<b>Current assets</b>		
Cash and cash equivalents	28,268	27,745
Trade and other receivables	10,254	11,141
Short-term investments	478	343
Inventories	1,689	2,406
<b>Total current assets</b>	<b>40,689</b>	<b>41,635</b>
<b>Non-current assets</b>		
Investment in associates	834	1,178
Available-for-sale investment	325	325
Investments at fair value through profit or loss	3,275	3,109
Goodwill and intangible assets <sup>1</sup>	2,874	1,838
Property, plant and equipment	21,612	23,554
Right-of-use assets (“ROU”)	17,552	23,308
Club memberships	238	238
Other non-current assets	2,445	817
<b>Total non-current assets</b>	<b>49,155</b>	<b>54,367</b>
<b>Total assets</b>	<b>89,844</b>	<b>96,002</b>

LIABILITIES AND EQUITY	As at	
	31 Mar 2021	30 Sep 2020
	S\$'000	S\$'000
<b>Current liabilities</b>		
Trade and other payables	8,808	9,190
Provision for reinstatement costs	2,005	1,989
Lease liabilities – ROU	11,195	11,767
Bank borrowings	1,902	1,584
Income tax payable	-	356
<b>Total current liabilities</b>	<b>23,910</b>	<b>24,886</b>
<b>Non-current liabilities</b>		
Lease liabilities – ROU	7,584	12,871
Bank borrowings	4,710	549
Deferred tax liability	16	370
<b>Total non-current liabilities</b>	<b>12,310</b>	<b>13,790</b>
<b>Capital and reserves</b>		
Share capital	49,121	48,806
Treasury shares	(405)	(438)
Currency translation reserve	1	(191)
Merger reserve	(2,828)	(2,828)
Retained earnings	5,706	9,994
<b>Equity attributable to owners of the Company</b>	<b>51,595</b>	<b>55,343</b>
Non-controlling interests	2,029	1,983
<b>Total equity</b>	<b>53,624</b>	<b>57,326</b>
<b>Total liabilities and equity</b>	<b>89,844</b>	<b>96,002</b>

1. Increase mainly due to the acquisition of a majority interest in Kok Kee Wanton Noodle Pte. Ltd., which includes goodwill of S\$1.1 million

# CASHFLOW STATEMENT

CASHFLOW STATEMENT	1H21 S\$'000	1H20 S\$'000		1H21 S\$'000	1H20 S\$'000
Operating activities			Investing activities		
Profit before income tax	(4,224)	1,648	Acquisition of property plant and equipment	(1,642)	(6,285)
Adjustments for:			Additions of non-current assets	(1,628)	-
Depreciation expense	3,584	3,300	Acquisition of investment in a subsidiary	(735)	-
Depreciation cost of right-of-use assets	6,028	4,607	Reduction of investment in an associate	-	150
Amortisation of intangible assets	14	14	Acquisition of business assets	-	(952)
Interest expense: leases	386	328	Acquisition of treasury shares	-	(159)
Interest expense: loans	58	23	Proceeds from disposal of property plant and equipment	-	9
Interest income	(12)	(165)	Reinstatement costs paid	-	(26)
Loss on property plant and equipment written off	-	350	<b>Net cash used in investing activities</b>	<b>(4,005)</b>	<b>(7,263)</b>
Gain on disposal of property plant and equipment	-	(9)	Financing activities		
Reversal of provision for reinstatement	-	-	Dividend paid to owners of the Company	-	(4,485)
Fair value (gain)/loss on investments at fair value through profit or loss	(166)	462	Proceeds from bank borrowings	5,000	-
Fair value (gain)/loss on short-term investments	(135)	80	Repayment of bank borrowings	(521)	-
Share-based payment expense	33	168	Repayment of lease obligation	(6,131)	(4,391)
Share of results of associates	344	169	Capital contribution from non-controlling interest in subsidiaries	4	540
Unrealised foreign exchange loss	222	412	<b>Net cash used in financing activities</b>	<b>(1,648)</b>	<b>(8,336)</b>
<b>Operating cash flows before movements in working capital</b>	<b>6,132</b>	<b>11,387</b>	Net increase/(decrease) in cash and cash equivalents	523	(14,680)
Trade and other receivables	887	(1,403)	Cash and cash equivalents at beginning of the year	27,745	46,575
Inventories	717	(345)	Effect of foreign exchange rate changes	-	(4)
Trade and other payables	(382)	(7,405)	<b>Cash and cash equivalents at end of the period</b>	<b>28,268</b>	<b>31,891</b>
<b>Cash generated from operations</b>	<b>7,354</b>	<b>2,234</b>			
Interest income received	12	165			
Interest expense paid	(444)	(351)			
Income tax paid	(746)	(1,129)			
<b>Net cash from operating activities</b>	<b>6,176</b>	<b>919</b>			

## Expects long-drawn COVID-19 impact until vaccine is widely administered

### Outlook:

- Believes that the Group's business and financial performance would gradually recover as major economies progress into different stages of their respective vaccination process, alongside probable measured re-opening of international borders as the pandemic situation stabilises
- Nonetheless, expects operating environment to remain challenging as sporadic outbreaks around the world, including Singapore, continue to be reported which would slow down the path to recovery
- Potential intermittent lockdowns, re-tightening of measures and rising unemployment will continue to have a negative impact in terms of lower footfall at restaurants and weaker sales revenue

### Proactive strategies to ride through the storm:

- Intensify cost-management efforts & improve efficiency:
  - Rationalising restaurant and outlet network
  - Optimising manpower base and reducing staff costs and other overheads
  - Maintain close dialogue with landlords to manage rental expenses
  - Accelerate digitalisation efforts
- Cautiously pursuing growth and re-positioning strategies in a measured manner (e.g. pivoting towards local mass market and paced overseas expansion predominantly via franchising)
- Actively monitoring our balance sheet strength to ensure healthy liquidity position for current operations and growth plans



# **STRATEGIES & DEVELOPMENTS**





## OVERSEAS EXPANSION

- Upcoming new project in the PRC
- Further expansion of franchise network, for existing and new franchisees
  - 2<sup>nd</sup> Fuzhou outlet opened in December 2020
  - Upcoming: 2<sup>nd</sup> Bangkok outlet in May/June 2021



## NEW PRODUCTS

- Relentlessly innovating to create new tastes, new dishes and new experiences to attract our customers with the novelty factor
- Notable display of our commitment to innovate:
  - Creatively putting an Asian spin on the high tea tradition by presenting mouth-watering dim sum paired with bubbly champagne at JUMBO Seafood ION Orchard, which offers a panoramic cityscape view of Orchard Road while dining
  - Collaborating with the former chef from the Taiwanese presidential kitchen, Chef Huang Jin Biao, to roll out exclusive new dishes at our Zui Teochew Cuisine outlets



## NEW BRANDS, NEW CONCEPTS

### *HACK IT – the Group's first virtual brand*

- Targets a local community who is young at heart and adventurous
- Objectives:
  - Delivers affordable quality food to customers' doorstep
  - Utilise excess capacity at current facilities, expand customer base and revenue at minimal incremental cost

**MORE TO COME IN 2021...**



# ADVOCATING THE DAILY HAWKER FARE

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- First acquisition post listing – Kok Kee Wonton Noodle
- Rationale:
  - To advocate authentic local flavours
  - Deepen our presence in the local F&B scene by venturing into the day-to-day local comfort food segment
  - Diversify our income streams, away from our current dominant concepts (i.e. full-service dine-in), to fast turnover dine-in and takeaway concepts
- Plans:
  - Scale up via standardisation of workflows, achieving economies of scale and consistency in quality through Central Kitchen production
  - Leverage on our track record in franchising to expand Kok Kee's network locally and overseas
  - Expansion plans: 2<sup>nd</sup> local Kok Kee outlet opening at Marina Bays Sands and a 3<sup>rd</sup> outlet scheduled for opening at Toa Payoh by third quarter of FY2021

# MOVING INTO THE HEARTLANDS

- Joint Venture with The Art of Mee Pok to operate Teochew fishball and minced meat noodles under the “Lau Lim Mee Pok” tradename in Singapore
- Set up our second Chao Ting Pao Fan outlet at Simpang Bedok; bringing this popular pao fan to the eastern side of Singapore
- To open more Chao Ting Pao Fan and Lau Lim Mee Pok outlets across Singapore
- Spreading the reach of Tsui Wah across the island:
  - Outlet opening at JEM at Jurong East, Group’s first presence in the west of Singapore in more than a decade
  - Outlet to be opened in the East of Singapore towards the end of July 2021





## BRING ME HOME

- Creating a unified brand to house all our products to optimise branding and marketing efforts
- To ride on the trend of home-cooking, allowing our customers to recreate our signature flavours in the comfort of their homes
- Expanded our channels of distribution of retail packs both online and offline
  - Listed on online marketplaces (e.g. Shopee, Qoo10, NTUC Online) and JUMBO's e-shop
  - Entered departmental stores and hyper-marts (e.g. TANGS, Eccellente, etc)
  - Collaborated with business partners to sell our retail packs together with fresh raw ingredients



## JUMBO GROUP LIMITED

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