JUMBO GROUP LIMITED

(Company Registration Number: 201503401Z)

Condensed Interim Consolidated Financial Statements

For the six months and full year ended 30 September 2021

This announcement has been prepared by Jumbo Group Limited (the "**Company**") and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "**Sponsor**"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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JUMBO GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201503401Z

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JUMBO GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201503401Z)

A. CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Group					
		6 months ended 30 September		Change	12 months ended 30 September		Change
		2021	2020		2021	2020	
	Note	$'000	$'000	%	$'000	$'000	%
Revenue	4	36,383	30,882	17.8	81,790	97,573	(16.2)
Cost of sales		(13,865)	(11,867)	16.8	(30,819)	(36,840)	(16.3)
Gross profit		22,518	19,015	18.4	50,971	60,733	(16.1)
Other income		2,674	6,920	(61.4)	6,001	10,551	(43.1)
Employee benefits expenses		(17,354)	(15,661)	10.8	(34,930)	(38,493)	(9.3)
Operating lease expenses		(454)	(929)	(51.1)	(1,084)	(3,477)	(68.8)
Utilities expenses		(1,359)	(1,234)	10.1	(2,876)	(3,127)	(8.0)
Depreciation and amortisation:							
- Property, plant and equipment		(3,182)	(3,407)	(6.6)	(6,766)	(6,707)	0.9
- Right-of-use assets		(6,629)	(5,762)	15.0	(12,657)	(10,369)	22.1
- Intangible assets		(14)	(15)	(6.7)	(28)	(29)	(3.4)
Interest expense:							
- Leases		(594)	(455)	30.5	(980)	(783)	25.2
- Loans		(105)	(25)	N.M.	(163)	(48)	N.M.
Impairment loss recognised on financial assets		-	(2,324)	(100.0)	-	(2,324)	(100.0)
Impairment loss recognised on property, plant and Equipment, net		(83)	(1,353)	(93.9)	(83)	(1,353)	(93.9)
Other operating expenses		(5,980)	(6,266)	(4.6)	(11,847)	(14,253)	(16.9)
Share of results of associates		(99)	(126)	(21.4)	(443)	(295)	50.2
Loss before tax	6	(10,661)	(11,622)	(8.3)	(14,885)	(9,974)	49.2
Income tax credit	7	3,726	766	N.M.	3,690	104	N.M.
Loss for the period		(6,935)	(10,856)	(36.1)	(11,195)	(9,870)	13.4
Other comprehensive (loss)/income for the period:							
Items that may be reclassified subsequently to profit or loss							
Exchange differences arising on translation of foreign operations		(7)	(104)	(93.3)	275	379	(27.4)
Other comprehensive (loss)/income for the period, net of tax		(7)	(104)	(93.3)	275	379	(27.4)
Total comprehensive loss for the period		(6,942)	(10,960)	(36.7)	(10,920)	(9,491)	15.1
(Loss)/Profit for the period, attributable to:							
Owners of the Company		(7,476)	(10,292)	(27.4)	(11,764)	(8,169)	44.0
Non-controlling interests		541	(564)	N.M.	569	(1,701)	N.M.
		(6,935)	(10,856)	(36.1)	(11,195)	(9,870)	13.4
Total comprehensive (loss)/profit for the period, attributable to:							
Owners of the Company		(7,359)	(10,371)	(29.0)	(11,399)	(7,839)	45.4
Non-controlling interests		417	(589)	N.M.	479	(1,652)	N.M.
		(6,942)	(10,960)	(36.7)	(10,920)	(9,491)	15.1
Loss per share (cents)							
Basic and diluted	20	(1.2)	(1.6)	(25.0)	(1.8)	(1.3)	38.5

N.M. : Not meaningful

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B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 30 September 2021 $'000	As at 30 September 2020 $'000	As at 30 September 2021 $'000	As at 30 September 2020 $'000
ASSETS					
Current assets					
Cash and cash equivalents		20,462	27,745	5,410	12,858
Trade and other receivables		11,535	11,141	14	18
Short-term investments	10	8,847	343	4,992	-
Inventories		2,289	2,406	-	-
Total current assets		43,133	41,635	10,416	12,876
Non-current assets					
Due from subsidiaries		-	-	37,154	29,591
Investment in associates		734	1,178	-	-
Investment in subsidiaries		-	-	5,424	5,424
Other investments		325	325	-	-
Investments at fair value through profit or loss	11	2,629	3,109	-	-
Goodwill	12	3,466	1,621	-	-
Intangible assets	13	480	217	-	-
Right-of-use assets		23,360	23,308	-	-
Property, plant and equipment		23,818	23,554	-	-
Club memberships		238	238	-	-
Deferred tax assets	14	3,781	-	-	-
Other non-current assets		-	817	-	-
Total non-current assets		58,831	54,367	42,578	35,015
Total assets		101,964	96,002	52,994	47,891
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables		11,012	9,190	222	301
Provision for reinstatement costs	15	3,534	1,989	-	-
Lease liabilities	16	10,576	11,767	-	-
Bank borrowings	17	4,491	1,584	960	-
Income tax payable		-	356	-	-
Total current liabilities		29,613	24,886	1,182	301
Non-current liabilities					
Lease liabilities	16	14,411	12,871	-	-
Bank borrowings	17	10,858	549	4,040	-
Deferred tax liability		13	370	-	-
Total non-current liabilities		25,282	13,790	4,040	-
Capital and reserves					
Share capital	18	49,436	48,806	49,436	48,806
Treasury shares	19	(405)	(438)	(405)	(438)
Currency translation reserve		174	(191)	-	-
Merger reserve		(2,828)	(2,828)	-	-
(Accumulated losses)/Retained earnings		(1,770)	9,994	(1,259)	(778)
Equity attributable to owners of the Company		44,607	55,343	47,772	47,590
Non-controlling interests		2,462	1,983	-	-
Total equity		47,069	57,326	47,772	47,590
Total liabilities and equity		101,964	96,002	52,994	47,891

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group ($'000)	Share capital	Treasury shares	Currency translation reserve	Merger reserve	Retained earnings / (Accumulated losses)	Equity attributable to owners of the Company	Non-controlling interests	Total
Balance at 1 October 2019	**48,806**	**(447)**	**(521)**	**(2,828)**	**23,728**	**68,738**	**3,239**	**71,977**
Effect of adoption of SFRS(I) 16	-	-	-	-	(1,080)	(1,080)	(144)	(1,224)
Balance at 1 October 2019 (restated)	**48,806**	**(447)**	**(521)**	**(2,828)**	**22,648**	**67,658**	**3,095**	**70,753**
Total comprehensive income for the year:								
Loss for the year	-	-	-	-	(8,169)	(8,169)	(1,701)	(9,870)
Other comprehensive income	-	-	330	-	-	330	49	379
Transactions with owners, recognised directly in equity:								
Repurchase of treasury shares	-	(159)	-	-	-	(159)	-	(159)
Reissue of treasury shares	-	168	-	-	-	168	-	168
Capital contribution from non-controlling interest in subsidiaries	-	-	-	-	-	-	540	540
Dividend paid to owners of the company	-	-	-	-	(4,485)	(4,485)	-	(4,485)
Balance at 30 September 2020	**48,806**	**(438)**	**(191)**	**(2,828)**	**9,994**	**55,343**	**1,983**	**57,326**
Total comprehensive income for the year:								
Loss for the year	-	-	-	-	(11,764)	(11,764)	569	(11,195)
Other comprehensive income	-	-	365	-	-	365	(90)	275
Transactions with owners, recognised directly in equity:								
Reissue of treasury shares	-	33	-	-	-	33	-	33
Acquisition of a subsidiary (Note 21)	630	-	-	-	-	630	-	630
Balance at 30 September 2021	**49,436**	**(405)**	**174**	**(2,828)**	**(1,770)**	**44,607**	**2,462**	**47,069**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company ($'000)	**Share capital**	**Treasury shares**	**Retained earnings / (Accumulated losses)**	**Total**
Balance at 1 October 2019	**48,806**	**(447)**	**4,183**	**52,542**
Total comprehensive loss for the year				
Loss for the year	-	-	(476)	(476)
Transactions with owners, recognised directly in equity:				
Repurchase of treasury shares	-	(159)	-	(159)
Reissue of treasury shares	-	168	-	168
Dividend paid	-	-	(4,485)	(4,485)
Balance at 30 September 2020	**48,806**	**(438)**	**(778)**	**47,590**
Total comprehensive loss for the year				
Loss for the year	-	-	(481)	(481)
Transactions with owners, recognised directly in equity:				
Reissue of treasury shares	-	33	-	33
Acquisition of a subsidiary (Note 21)	630	-	-	630
Balance at 30 September 2021	**49,436**	**(405)**	**(1,259)**	**47,772**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	12 months Ended 30 September 2021 $'000	**12 months Ended 30 September 2020 $'000**
Operating activities		
Loss before income tax	(14,885)	(9,974)
Adjustments for:		
Depreciation expense	6,766	6,707
Depreciation of right-of-use assets	12,657	10,369
Amortisation of intangible assets	28	29
Impairment loss recognised on property, plant and equipment, net	83	1,353
Impairment loss recognised on financial assets	-	2,324
Interest expense: leases	980	783
Interest expense: bank borrowings	163	48
Interest income	(118)	(182)
Property, plant and equipment written off	290	148
Other receivables written off	-	212
Gain on disposal of property, plant and equipment	(5)	(9)
Fair value loss on investments at fair value through profit or loss	480	92
Fair value (gain)/loss on short-term investments	(141)	89
Rental rebate and concessions	(1,364)	-
Share of results of associates	443	295
Share-based payment expense	33	168
Termination of lease	(95)	-
Unrealised foreign exchange loss	218	242
Operating cash flows before movements in working capital	5,533	12,694
Trade and other receivables	(394)	447
Inventories	117	(572)
Trade and other payables	1,356	(4,664)
Cash generated from operations	6,612	7,905
Interest income received	118	182
Interest paid	(1,143)	(831)
Income tax paid	(804)	(2,010)
Net cash from operating activities	4,783	5,246
Investing activities		
Acquisition of property, plant and equipment	(4,925)	(7,500)
Acquisition of investment in an associate	-	(277)
Acquisition of business assets	-	(840)
Acquisition of treasury shares	-	(159)
Acquisition of other investments	(8,363)	(250)
Additions to non-current assets	-	(817)
Proceeds from disposal of property, plant and equipment	93	70
Proceeds from reduction of investments in an associate	-	250
Reinstatement cost paid	(76)	(80)
Acquisition of a subsidiary	(1,469)	-
Net cash used in investing activities	(14,740)	(9,603)

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

Financing activities		
Dividend paid to owners of the Company	-	(4,485)
Proceeds from bank borrowings	14,200	-
Repayment of bank borrowings	(984)	(309)
Repayment of lease obligations	(10,775)	(10,263)
Capital contribution from non-controlling interest in subsidiaries	-	540
Net cash generated from (used in) financing activities	2,441	(14,517)
Net decrease in cash and cash equivalents	(7,516)	(18,874)
Cash and cash equivalents at beginning of the year	27,745	46,575
Effect of foreign exchange rate changes	233	44
Cash and cash equivalents at end of the year	20,462	27,745

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEAMENTS

1. Corporate information

Jumbo Group Limited (Registration No. 201503401Z) (the "Company" and, together with its subsidiaries, the "Group") is incorporated in Singapore with its principal place of business and registered office at 4 Kaki Bukit Avenue 1, #03-08, Singapore 417939. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The financial statements are expressed in Singapore dollars.

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

The principal activities of the Group are:

(a) operation and management of restaurants
(b) manufacturer of food stuff
(c) investment holding

2. Basis of Preparation

The condensed interim consolidated financial statements for the six and twelve months ended 30 September 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last interim financial statements for the period ended 31 March 2021.

The accounting policies adopted are consistent with those of the latest audited financial statements for the financial year ended 30 September 2020 which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards set out in Note 2.1.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to the SFRS(I) have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Adoption of Amendment to SFRS(I) 16: COVID-19-Related Rent Concessions

The amendment provides practical relief to lessees in accounting for rent concessions occurring as a direct consequences of COVID-19, by introducing a practical expedient to SFRS(I) 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19 related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying SFRS (I) 16 if the change were not a lease modification. The amendment is effective for annual periods beginning on or after June 1, 2020, with early application permitted. The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

b) Any reduction in lease payments affects only payments originally due in on or before June 30, 2021 (a rent concession meets this condition if it results in reduced lease payments on or before June 30, 2021 and increased lease payments that extend beyond June 30, 2021); and

c) There is no substantive change to other terms and conditions of the lease.

The practical expedient has been extended by 12 months to any reduction in lease payments affects only payments originally due in on or before June 30, 2022 and the amendment is effective for annual periods beginning on or after April 1, 2021, with early application permitted.

During the financial year, the Group early adopted the Amendment to SFRS(I) 16 in advance of its effective date. As a result of applying the practical expedient, rent concessions of $691,000 was recognised in profit or loss as other income during the year.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the financial year ended 30 September 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment to the carrying amounts of assets and liabilities within the next financial period are as follows:

a) Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts

b) Deferred income tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

c) Loss allowance for trade and other receivables due from associates.

d) Impairment of property, plant and equipment and right-of-use asset of non-performing outlets.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

4.1 Disaggregation of Revenue

	Group			
	6 months ended 30 September 2021	6 months ended 30 September 2020	12 months ended 30 September 2021	12 months ended 30 September 2020
	$'000	$'000	$'000	$'000
At a point in time:				
Sale of food and beverages	35,968	30,691	80,755	96,847
Franchise income	225	-	430	139
Over time:				
Royalty income	190	191	605	587
Total Revenue	36,383	30,882	81,790	97,573
Geographical information:				
Singapore	17,941	15,393	44,220	69,659
PRC	16,674	12,122	31,763	21,163
Taiwan	1,768	3,367	5,807	6,751
	36,383	30,882	81,790	97,573

4.2 A breakdown of sales

	Group		
	12 months ended 30 September		Increase/ (Decrease)
	2021	2020	
	$'000	$'000	%
Sales reported for:			
(a) First half of the financial year	45,407	66,691	(31.9)
(b) Second half of the financial year	36,383	30,882	17.8
	81,790	97,573	(16.2)
(Loss)/Profit reported for:			
(a) First half of the financial year	(4,260)	986	N.M.
(b) Second half of the financial year	(6,935)	(10,856)	(36.1)
	(11,195)	(9,870)	13.4

5. Financial assets and financial liabilities

The following table sets out the financial instruments as at 30 September 2021 and 2020:

	Group		Company	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	$'000	$'000	$'000	$'000
Financial assets				
Financial assets at amortised cost	29,303	37,070	42,564	42,449
Financial assets at fair value through other comprehensive income ("FVTOCI"):				
Equity instruments classified as FVTOCI	75	75	-	-
Debt instruments designated as at FVTOCI	250	250	-	-
Financial assets measured at fair value through profit or loss ("FVTPL")	11,476	3,452	4,992	-
Financial liabilities				
Financial liabilities at amortised cost	22,774	9,109	5,222	301
Lease liabilities	24,987	24,638	-	-

6. Loss before taxation

	Group			
	6 months ended 30 September 2021	**6 months ended 30 September 2020**	**12 months ended 30 September 2021**	**12 months ended 30 September 2020**
	$'000	**$'000**	**$'000**	**$'000**
Income				
Interest income	106	17	118	182
Job support scheme	1,539	3,195	3,263	6,201
Foreign worker levy rebate	-	351	-	351
Property tax rebate	-	327	22	327
Rental rebate and concessions	1,074	2,159	1,716	2,159
Fair value (loss)/gain on investments at FVTPL classified under other income	(646)	370	(480)	(92)
Fair value gain/(loss) on short-term investments	6	(9)	141	(89)
Property, plant and equipment written off	(290)	-	(290)	(148)
Expenses				
Credit card and delivery commission	735	207	1,546	1,187
General supplies	803	716	1,729	1,886
Cleaning services, repairs and maintenance	1,301	987	2,391	2,609
Professional fees	856	1,492	1,304	2,132
Transportation fees	261	229	499	687
Marketing expense	283	1,021	894	1,769
Other receivables written off	-	212	-	212

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	Group	
	30 September 2021	**30 September 2020**
	$'000	**$'000**
Tax expense comprises:		
Current tax		
- Current year	41	5
- Under/(Over) provision in respect of prior years	337	(225)
Withholding tax	67	116
Deferred tax benefit	(4,135)	-
	(3,690)	(104)

8. Net Asset Value ("NAV")

	Group		Company	
	As at		As at	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
NAV ($'000)	44,607	55,343	47,772	47,590
Number of shares ('000)	642,320	640,386	642,320	640,386
NAV per share (cents)	6.9	8.6	7.4	7.4

9. Financial assets at fair value through other comprehensive income

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 (i.e as prices) or indirectly (i.e 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).

	Total	Level 1	Level 2	Level 3
Group	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets				
30 September 2021				
Other investments				
- Debt instruments classified as at FVTOCI	250	250	-	-
- Equity instruments designated as at FVTOCI	75	-	-	75
Financial assets at fair value through profit or loss:				
- Structured deposits	3,371	-	-	3,371
- Equity investments	7,621	-	-	7,621
- Quoted equity shares	484	484	-	-
30 September 2020				
Other investment				
- Debt instruments classified as at FVOTCI	250	250	-	-
- Equity instruments classified as at FVTOCI	75	-	-	75
Financial assets at fair value through profit or loss:				
- Equity investments	3,109	-	-	3,109
- Quoted equity shares	343	343	-	-

10. Short-term investments

	Group	
	30 September 2021	30 September 2020
	$'000	$'000
Financial assets mandatorily measured at FVTPL:		
Held for trading non-derivative financial assets		
- Structured deposits	3,371	-
- Equity instruments	4,992	-
- Quoted equity shares	484	343
	8,847	343

11. Investments at fair value through profit or loss

	Group	
	30 September 2021	30 September 2020
	$'000	$'000
Equity investments	3,109	3,201
Fair value loss included in profit or loss for the year as part of "other income"	(480)	(92)
	2,629	3,109

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.

	Group
	$'000
Cost:	
At 1 October 2019	782
Arising from acquisition of JUMBO seafood business in Taiwan	839
At 30 September 2020	1,621
Arising from acquisition of Kok Kee Wanton Noodle Pte Ltd in Singapore (Note 21)	1,814
Exchange gain	31
	3,466

12. Goodwill (cont'd)

The carrying amount of goodwill of $3,466,000 (2020: $1,621,000) is allocated to the respective CGUs:

	Group	
	30 September 2021	30 September 2020
	$'000	$'000
Cash-generating units ("CGUs"):		
Ng Ah Sio Investments Pte. Ltd.	782	782
JUMBO Seafood business in Taiwan	870	839
Kok Kee Wanton Noodle Pte Ltd (Note 21)	1,814	-
Total	3,466	1,621

The recoverable amount of each CGU is determined from 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.

Cash flow projections used in the value-in-use calculations were based on the most recent financial budgets approved by management for the next five years.

For the financial years ended 30 September 2021 and 2020, management has assessed that no allowance for impairment was required.

13. Intangible assets

Group	Franchise Rights and trademark $'000
Cost:	
At 1 October 2019	-
Acquired on acquisition of a subsidiary	246
At 30 September 2020	246
Acquired on acquisition of a subsidiary (Note 21)	285
Exchange gain	6
At 30 September 2021	537
Amortisation:	
At 1 October 2019	-
Amortisation for the year	29
At 30 September 2020	29
Amortisation for the year	28
At 30 September 2021	57
Carrying amount:	
At 30 September 2021	480
At 30 September 2020	217

14. Deferred tax assets

Deferred income tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has recognised deferred tax assets of $3,781,000 during the financial period.

15. Provision for reinstatement costs

	Group	
	30 September 2021	30 September 2020
	$'000	$'000
At beginning of year	1,989	2,051
Provision during the year	1,598	-
Utilisation of provision	(76)	(80)
Exchange difference	23	18
At end of year	3,534	1,989

16. Lease liabilities

	Group	
	30 September 2021	30 September 2020
	$'000	$'000
Maturity analysis:		
Year 1	11,372	12,405
Year 2	6,747	8,497
Year 3	3,353	3,669
Year 4	1,551	656
Year 5 onwards	4,106	547
	27,129	25,774
Less: Future charges	(2,142)	(1,136)
	24,987	24,638
Analysed as:		
Current	10,576	11,767
Non-current	14,411	12,871
	24,987	24,638

17. Bank borrowings

	Group	
	30 September 2021	**30 September 2020**
	$'000	**$'000**
Unsecured – at amortised cost		
Bank loans	15,349	2,133
Less: Amount due for settlement within 12 months (shown under current liabilities)	(4,491)	(1,584)
Amount due for settlement after 12 months	10,858	549

As at 30 September 2021, the Group's unsecured borrowings comprise external bank loans, for tenures ranging from 3 months to 5 years (2020: 3 months to 2 years) and bear an average effective interest rate of between 2% to 2.01% (2020: 2.01%) per annum.

As at 30 September 2021, the Group does not have any secured borrowings or collaterals.

18. Share capital

	Group and Company			
	30 September 2021	**30 September 2020**	**30 September 2021**	**30 September 2020**
	Number of ordinary shares		**$'000**	**$'000**
Issued and paid up:				
At the beginning of the year	641,833,000	641,833,000	48,806	48,806
Issue of shares for:				
- Consideration paid for acquisition of a subsidiary (Note 21)	1,825,465	-	630	-
	643,658,465	641,833,000	49,436	48,806

On 5 January 2021 and 19 July 2021, the Company issued new ordinary shares of 882,352 and 943,113 respectively in satisfaction of the first and second tranche of the consideration for the acquisition of 75% of the issued and paid-up share capital of Kok Kee Wanton Noodle Pte Ltd.

There were no outstanding convertibles and subsidiary holdings held by the Company as at 30 September 2021 and 30 September 2020.

19. Treasury shares

	Group and Company 30 September			
	2021	**2020**	**2021**	**2020**
	Number of ordinary shares		$'000	$'000
At the beginning of the year	1,446,600	1,144,800	438	447
Repurchase of treasury shares	-	731,400	-	159
Reissue of treasury shares	(108,500)	(429,600)	(33)	(168)
At the end of the year	1,338,100	1,446,600	405	438

The number of shares held as treasury shares by the Company as at 30 September 2021 and 30 September 2020 were 1,338,100 and 1,446,600, respectively, representing 0.21% and 0.23%, respectively, of the total number of issued shares excluding treasury shares that was listed as at the respective dates.

	As at 30 September 2021	**As at 30 September 2020**
Total number of issued shares excluding treasury shares	642,320,365	640,386,400

20. Loss per share

The calculation of the loss per share attributable to the ordinary owners of the Company is based on the following data:

	Group			
	6 months ended 30 September		**12 months ended 30 September**	
	2021	**2020**	**2021**	**2020**
	$'000	**$'000**	**$'000**	**$'000**
Loss attributable to owners of the Company ($'000)	(7,476)	(10,292)	(11,764)	(8,169)
Weighted average number of ordinary shares for purpose of (loss) earnings per share ('000)	641,756	640,738	641,291	640,565
Loss per ordinary share – Basic and diluted (cents)	(1.2)	(1.6)	(1.8)	(1.3)

There were no dilutive equity instruments outstanding as at 30 September 2021 and 2020.

The weighted average number of ordinary shares used for the calculation of earnings per share for the comparatives have been adjusted for the weighted average effect of changes in treasury shares transactions during the year.

21. Acquisition of a subsidiary

On 14 December 2020, the Company acquired 75% of the issued share capital of Kok Kee Wanton Noodle Pte Ltd for a consideration of $2,100,000.

Consideration	**$'000**
Cash paid	1,470
Issued of shares	630
	2,100

<u>Assets and liabilities recognised as a result of the acquisition</u>

	Fair value
Fair value of net identifiable assets acquired	**$'000**
Cash and cash equivalents	1
Intangible assets	285
	286
Goodwill arising from acquisition	1,814
	2,100

22. Subsequent events

There are no known subsequent events after the financial period which have led to adjustments to this set of condensed interim financial statements.

Other information required by Appendix 7C of the Catalist Rules

1. Review

The condensed interim consolidated statement of financial position of Jumbo Group Limited and its subsidiaries as at 30 September 2021 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Revenue

With the COVID-19 pandemic looming over the global economy for the whole of this financial year, our Group's revenue declined 16.2% or $15.8 million, from $97.6 million for the financial year ended 30 September 2020 ("FY2020") to $81.8 million for the financial year ended 30 September 2021 ("FY2021").

The Group had the benefit of pre-COVID revenue and profitability in the first quarter for FY2020 and this had helped in mitigating the financial performance for FY2020. For FY2021, however, particularly for Singapore, the Group's biggest market, the operating environment remained tough and challenging. With the rise of the Delta variant, the country implemented "Phase 3 Heightened Alert" COVID-19 re-opening measures on 8 May 2021, subsequently the country imposed additional restrictions under "Phase 2 Heighted Alert" from 16 May 2021, and rotated between the two phases which were existing as of end of FY2021. To the food and beverage ("F&B") sector, it resulted in a repeated cycle of no dine-in and 2 pax dine-in cap, reducing the footfall and total spend per check and further worsening the negative impact brought about by the lowered capacity of outlets attributed to the existing safe distancing measures. Coupled with the tight border controls and the default work-from-home arrangements, which were still enforced as at end of FY2021, these naturally led to lacklustre business at our full-service restaurants.

With the apparent long-drawn journey to recovery, the Group had undertaken an exercise during this financial year to rationalise our network, to conserve our resources for growth in the future. In Singapore, we ceased operations for three outlets located in the tourist belt, namely JUMBO Seafood at The Riverwalk and both Ng Ah Sio Bak Kut Teh ("NASBKT") and Singapore Seafood Republic at Resort World Sentosa. On a positive note, starting with the addition of the Kok Kee Wonton Noodle Foch Road outlet to our Group in December 2020, the brand's footprint in Singapore has been steadily increasing. We converted the NASBKT outlet at Marina Bay Sands into a Kok Kee Wonton Noodle outlet in May 2021 and added another new Kok Kee Wonton Noodle outlet in Toa Payoh in June 2021. We introduced the HACK IT virtual brand in December 2020 and added one Chao Ting Pao Fan stall at Bedok in January 2021. These initiatives demonstrated our efforts in pivoting towards day-to-day fast casual concepts, catered to smaller groups with more affordable per head spend, away from the full-service communal dining concepts, which are less viable under such a restricted dining-out environment. Despite efforts to shift gears, the shortfall in revenue from our key brands was too huge to be bridged. Consequentially, revenue from our Singapore operations decreased by 36.5% or $25.4 million to $44.2 million in FY2021.

Outside Singapore, the PRC Government had the pandemic under control and domestic spending has been healthy. We added a new JUMBO Seafood outlet within the much-anticipated Universal Beijing Resort ("UBR") in September 2021, and also saw revenue from our PRC operations improved by 50.1% or $10.6 million to $31.8 million in FY2021. Taiwan, on the other hand had a roller coaster ride. Relatively unscathed in the first half of FY2021, things went rapidly downhill from May 2021, when a sudden outbreak of COVID-19 led to dining restrictions in the last 5 months of FY2021, affecting our operations. Struggling with the sustained muted footfall for our Taichung JUMBO Seafood outlet, we ceased operations for this outlet when the lease ended in September 2021. As a result, business performance was significantly weaker in the second half of FY2021, leading to a year-on-year ("YoY") decline of 14.0% or $0.9 million in revenue from our Taiwan operations to $5.8 million in FY2021.

Other information required by Appendix 7C of the Catalist Rules

Cost of sales
Cost of sales, which comprised raw materials and consumables, decreased by 16.3% or $6.0 million, from $36.8 million in FY2020 to $30.8 million in FY2021, in-line with the decrease in revenue.

Gross profit
Gross profit narrowed to $51.0 million in FY2021, a decline of 16.1% or $9.8 million. However, gross profit margin improved slightly to 62.3% in FY2021 from 62.2% in FY2020, as the Group stabilised its cost of purchases and marketing and promotional efforts.

Other income
Other income decreased by $4.6 million, from $10.6 million in FY2020 to $6.0 million in FY2021. This was primarily attributed to the lower Jobs Support Scheme granted by the Singapore government in view of the COVID-19 pandemic, which amounted to $3.3 million in FY2021 versus $6.2 million in FY2020. In addition, the Group received lower property tax rebates and rental rebates and concessions which amounted to $1.5 million in FY2021 compared to $2.5 million in FY2020. With the closure of non-performing outlets, namely Ng Ah Sio Bak Kut Teh outlet in Resort World Sentosa and JUMBO Seafood outlet in Taichung, the Group registered a loss of $0.2 million on property, plant and equipment written off.

Employee benefits expenses
Employee benefits expenses fell by 9.3% from $38.5 million in FY2020 to $34.9 million in FY2021, mainly due to the reduction in headcount of approximately 46 staff on the back of natural attrition. Though consolidation efforts of outlets and manpower have been optimised, bench strength was much under-utilised due to the oscillating COVID-19 regulations, which resulted in the less than proportionate decline in employee benefits expense, compared to the fall in revenue.

Operating lease expenses
Operating lease expenses declined by 68.8% or $2.4 million, from $3.5 million in FY2020 to $1.1 million in FY2021, as there were fewer short-term leases and minimal variable rent in FY2021.

Utilities expenses
Utilities expenses decreased by 8.0% or $0.2 million, from $3.1 million in FY2020 to $2.9 million in FY2021, mainly due to lower utility usage during the no dine-in and restricted dine-in periods in FY2021.

Depreciation and amortisation
Depreciation expense for property, plant and equipment for FY2021 remained relatively unchanged from FY2020 at $6.7 million.

Depreciation expense for right-of-use assets increased by 22.1% from $10.4 million to $12.7 million mainly attributable to the new lease on the new JUMBO Seafood outlet in UBR and the renewed lease for the JUMBO Seafood outlet in IFC Mall Shanghai.

Interest expense
Interest expense for leases increased by 25.2% or $0.2 million from $0.8 million in FY2020 to $1.0 million in FY2021, mainly due to new JUMBO seafood outlet in UBR and the renewed lease for the JUMBO seafood outlet in IFC Mall Shanghai.

Interest expense for loans increased mainly due to new temporary bridging loans of $14.2 million drawn down for working capital during FY2021.

Impairment loss recognised on financial assets

Impairment loss recognised on financial assets of $2.3 million in FY2020 was mainly related to the write-off of loans to the Group's associated company in Korea. There was no such impairment loss incurred in FY2021.

Impairment loss recognised on property, plant and equipment

With the prolonged default work-from-home arrangement, our Zui Yu Xuan Teochew Cuisine outlet, located at the heart of Central Business District in Singapore, had suffered persistently low footfall. Similarly, the JUMBO Seafood outlet at L'Avenue mall in Shanghai also grappled with low footfall, and correspondingly, low revenue. Hence, the Group had recognised an impairment loss of $0.5 million on property, plant and equipment for both outlets, which was partially offset by a $0.4 million writeback of impairment loss on property, plant and equipment recognised in FY2020 for the JUMBO Seafood outlet at Xi'an.

Other operating expenses

Other operating expenses decreased by 16.9% or $2.4 million to $11.8 million in FY2021 mainly due to the lower professional fees and marketing expenses.

Share of results of associates

The share of loss in associates in FY2021 of $0.4 million was largely attributed to the subdued performance and eventual closure of Singapore Seafood Republic outlet at Sentosa.

Income tax credit

The $3.7 million of income tax credit was mainly attributed to the recognition of deferred tax assets from tax losses incurred in subsidiaries. The Group has recognised a total of $3.8 million of deferred tax assets as the Group foresees that future taxable profit will be available once the Singapore Government starts to materialise its plans on the gradual reopening of borders and relaxation of social-distancing measures.

Loss attributable to owners of the Company

As a result of the above, loss attributable to owners of the Company stood at $11.8 million for FY2021 compared to $8.2 million in FY2020.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets increased by $1.5 million during the financial year to $43.0 million as at 30 September 2021, largely due to:

i. an increase in short-term investments of $8.5 million, as the Group placed contingent funds from bank borrowings to bank managed funds, which are pending deployment to operations or investments, to generate returns to offset interest expense in the interim; partially offset by
ii. a decrease in cash and cash equivalents of $7.3 million as a result of lower revenue.

Non-current assets

The Group's non-current assets increased by $4.5 million, from $54.4 million as at 30 September 2020 to $58.8 million as at 30 September 2021, largely due to:

i. an increase in intangible assets and goodwill of $2.1 million from the business acquisition of Kok Kee Wonton Noodle in Singapore;
ii. an increase in deferred tax assets of $3.8 million; partially offset by
iii. a decrease in (a) investment in associates of $0.4 million mainly due to losses incurred during the year, (b) investments at FVTPL of $0.5 million due to mark-to-market losses and (iii) other non-current assets of $0.8 million, relating to pre-commencement capital investments for outlet in UBR, which was capitalised to property, plant and equipment in FY2021.

Current liabilities

The Group's current liabilities increased by $4.7 million during the financial year to $29.6 million as at 30 September 2021 mainly due to:

i. an increase in trade and other payables of $1.8 million relating mainly to payables on UBR project of $0.7 million and deferred revenue in the PRC of $0.9 million;
ii. an increase in provision for reinstatement costs for Singapore outlets of $1.5 million mainly due an increase in reinstatement costs for the outlets;
iii. an increase in bank borrowings of $2.9 million due to the drawdown of temporary bridging loans for working capital; offset by
iv. decrease in provision for income tax expense as the Group is in loss position; and
v. decrease in short-term lease liabilities of $1.2 million due to the closure of Ng Ah Sio Bak Kut Teh outlet at Resort World Sentosa, non-renewal of lease for staff hostel and lower lease renewals in FY2022.

Non-current liabilities

The Group's non-current liabilities increased by $11.5 million to $25.3 million as at 30 September 2021, mainly attributed to an increase in bank borrowings of $10.3 million for working capital and long-term lease liabilities of $1.5 million mainly from the new JUMBO Seafood outlet in UBR.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of $5.5million for FY2021. The lower operating cashflow was predominantly due to lower revenue generated for the year. Net cash generated from operations amounted to $1.1 million due to an increase in trade and other payables of $1.4 million. Including the $0.8 million paid for income tax and $1.1 million paid for interest, net cash generated from operating activities was $4.8 million for FY2021.

Net cash used in investing activities amounted to $14.7 million mainly due to;

i. acquisition of property, plant and equipment of $4.9 million, of which $2.2 million was for the new Jumbo Seafood outlet at UBR and the remaining on renovation of new and existing outlets, namely the Kok Kee outlets in Singapore and the JUMBO Seafood outlet at Xi'an in the PRC;
ii. cash payment of $1.5 million for the acquisition of Kok Kee Wonton Noodle; and
iii. $8.4 million deployed to investments to generate returns to offset interest expense on bank borrowings.

Net cash generated from financing activities for FY2021 of $2.4 million was mainly from the draw down of temporary bridging loans amounting to $14.2 million, partially offset by the repayment of lease obligations of $10.8 million and repayment of bank borrowings of $1.0 million.

As a result, cash and cash equivalents decreased by $7.5 million during the financial year to $20.5 million as at 30 September 2021.

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

Not applicable

4. 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 operating period and the next 12 months

Moving into the financial year ending 30 September 2022 ("FY2022"), COVID-19 will undoubtedly continue to impose uncertainty on our operating environment. Pressure on the bottom line will continue to persist, with the Singapore Government's support such as the Jobs Support Scheme tapering off, landlords' rental rebates declining, and meaningful cost optimisation efforts maximised.

However, we are cautiously optimistic that the situation might be bottoming out due to various bright spots that we are seeing:

- The Singapore Government's stance in differentiating vaccinated and unvaccinated individuals, which might signal a possibility of (i) normalisation of dining in conditions for the vaccinated, given the high vaccination rates of the Singapore population and (ii) the removal of work-from-home as the default for vaccinated individuals;
- The roll out of booster jabs in Singapore, which will further increase the immunity of our population against COVID-19 and thus allowing a faster pace of relaxation of COVID regulations and opening of the economy;
- With the introduction of the Vaccinated Travel Lane ("VTL") scheme in Singapore and the steady expansion of countries under the scheme, a gradual return of tourist flow could be in the pipeline; and
- COVID-19 fatigue and the increasing need to restore the health of economies of other countries are accelerating the speed of them opening their borders, which should stimulate the recovery of tourism in Singapore.

Meanwhile, we are cognizant that it will take time for the effects from the above to trickle down to a positive impact on our business. With existing social distancing measures and dine-in restrictions still in place, the Group acknowledges the limit of the upside potential of full-service restaurants. Hence, we have actively pivoted our focus towards concepts which are casual and fast moving and offering retail products suitable for stay home cooking and dining, which have proven to be more resilient under the current climate.

In FY2021, we added three Kok Kee Wonton Noodle outlets to our network, opened another in October 2021, and have concrete plans in the pipeline to further expand the number of outlets in the next couple of months. We also officially launched our retail products under a new lifestyle brand, Love, Afare in June 2021. With that, we onboarded our retail cooking sauces and condiments onto various major ecommerce platforms and modern trade distribution channels and will be adding a new range of ready-to-eat products in FY2022. After adding two new Tsui Wah outlets in FY2021, we re-opened our outlet at The Heeren in November 2021, bringing the brand's presence in Singapore to four outlets.

Other information required by Appendix 7C of the Catalist Rules

To expand our consumer base beyond the current anchor mass affluent seafood lovers, we are also working on a new innovative fusion concept which appeals to a younger audience or smaller families with more affordable per head spend. Our hoarding board at Marina Bay Sands has also revealed our latest JUMBO Signatures brand, a fine dining concept, which targets food connoisseurs, by providing refined quality food coupled with a modern dining experience.

Separately, our next biggest market, the PRC has recovered to pre-COVID-19 norms, in terms of consumer sentiments and business volume. With the addition of the new outlet strategically located in Universal Beijing Resort, we are excited about gaining greater recognition and publicity amongst both locals and travellers. For Taiwan, the focus for FY2022 would be to improve the profitability of the JUMBO Seafood outlet in Taipei, as we consolidate our attention and resources back to the single outlet, while exploring to open a second outlet in the city to reap synergies and economies of scale.

Our franchisees, particularly in Ho Chi Minh City, Bangkok and Fuzhou, are holding up well amidst the challenging macro backdrop, which is a reflection that our cuisines are well received by our fans around the region. Our Bangkok franchisee has opened a second JUMBO Seafood at the popular Siam Paragon mall and our Ho Chi Minh City franchisee is working towards opening a second JUMBO Seafood outlet in the city. The Group is also exploring franchise expansion in Vietnam, Cambodia, Dubai and second tier cities in the PRC.

Looking ahead, while the number of COVID-19 cases in Singapore might stay stubbornly high, it also reflects a progression towards herd immunity and the eventual state of living with COVID-19 as an endemic. We are convinced that once the Singapore Government starts to materialise its plans on gradual reopening of borders and relaxation of the social-distancing measures, footfall and sales volumes will return to our key concepts. With our relatively healthy balance sheet and liquidity position, we are confident of sustaining all our business operations with no imminent challenges and will continue to pursue areas of growth opportunistically and cautiously to enhance our earnings and diversify our revenue streams.

Other information required by Appendix 7C of the Catalist Rules

5. Dividend information

5a Current financial period reported on

No dividend has been declared for the current financial period reported on.

5b Corresponding period of the immediate preceding financial year

No dividend has been declared for the immediate preceding financial period reported on.

5c Date payable

Not applicable

5d Books Closure Date

Not applicable

5e If no dividend has been declared/recommended, a statement to the effect.

As the Group continued to incur losses due to the challenging operating environment, the board of directors of the Company will not be recommending any final dividend for FY2021. Liquidity will be conserved to support working capital requirements and carefully assessed growth investments and developments.

6. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested person transactions. There are no interested person transactions of $100,000 or more in FY2021.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

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

Other information required by Appendix 7C of the Catalist Rules

8. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	**Age**	**Family relationship with any director and/or substantial shareholder**	**Current position and duties, and the year the position was first held**	**Details of changes in duties and position held, if any, during the year**
Mr. Ang Kiam Lian	49	Brother of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan and son of Mr. Ang Hon Nam	Year 2017: Chief Executive Officer (China) Responsible for China business operations.	No change
Mdm. Wendy Ang Chui Yong	52	Sister of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan and daughter of Mr. Ang Hon Nam	Year 2017: Senior Director of Quality Assurance and Central Kitchen operations Responsible for quality assurance and central kitchen operations.	No change

BY ORDER OF THE BOARD

Tan Cher Liang
Independent Chairman

24 November 2021

Ang Kiam Meng
Executive Director and Group CEO

24 November 2021