



JUMBO GROUP LIMITED

(Company Registration Number: 201503401Z)

Condensed Interim Consolidated Financial Statements

For the six months and full year ended 30 September 2022

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.

The contact persons for the Sponsor are Mr David Tham, Senior Director, Equity Capital Markets, and Ms Priscilla Ong, Vice President, Equity Capital Markets, who can be contacted at 80 Raffles Place, #03-03 UOB Plaza 1, Singapore 048624, telephone: +65 6533 9898.

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

	Note	Group					
		6 months ended 30 September		Change %	12 months ended 30 September		Change %
		2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000	
Revenue	4	65,969	36,383	81.3	115,560	81,790	41.3
Cost of sales		(22,264)	(13,865)	60.6	(40,582)	(30,819)	31.7
Gross profit		43,705	22,518	94.1	74,978	50,971	47.1
Other income		1,076	2,674	(59.8)	2,386	6,001	(60.2)
Employee benefits expenses		(18,499)	(17,354)	6.6	(36,886)	(34,930)	5.6
Operating lease expenses		(2,238)	(454)	N.M.	(3,010)	(1,084)	N.M.
Utilities expenses		(2,220)	(1,359)	63.4	(3,867)	(2,876)	34.5
Depreciation and amortisation:							
- Property, plant and equipment		(2,888)	(3,182)	(9.2)	(5,849)	(6,766)	(13.6)
- Right-of-use assets		(5,687)	(6,629)	(14.2)	(11,804)	(12,657)	(6.7)
- Intangible assets		(7)	(14)	(50.0)	(21)	(28)	(25.0)
Interest expense:							
- Leases		(466)	(594)	(21.5)	(961)	(980)	(1.9)
- Loans		(176)	(105)	67.6	(375)	(163)	N.M.
Impairment loss recognised on property, plant and equipment, net		-	(83)	(100.0)	-	(83)	(100.0)
Other operating expenses		(7,836)	(5,980)	31.1	(14,249)	(11,847)	20.3
Share of results of associates		20	(99)	N.M.	20	(443)	N.M.
Profit/(Loss) before tax	6	4,783	(10,661)	N.M.	363	(14,885)	N.M.
Income tax (expense)/credit	7	(683)	3,726	N.M.	(699)	3,690	N.M.
Profit/(Loss) for the period		4,100	(6,935)	N.M.	(336)	(11,195)	(97.0)
Other comprehensive (loss)/income for the period: <i>Items that may be reclassified subsequently to profit or loss</i>							
Exchange differences arising on translation of foreign operations		(188)	(7)	N.M.	16	275	(94.2)
Other comprehensive (loss)/income for the period, net of tax		(188)	(7)	N.M.	16	275	(94.2)
Total comprehensive profit/(loss) for the period		3,912	(6,942)	N.M.	(320)	(10,920)	(97.1)
Profit/(Loss) for the period, attributable to:							
Owners of the Company		4,384	(7,476)	N.M.	(91)	(11,764)	(99.2)
Non-controlling interests		(284)	541	N.M.	(245)	569	N.M.
		4,100	(6,935)	N.M.	(336)	(11,195)	(97.1)
Total comprehensive profit/(loss) for the period attributable to:							
Owners of the Company		4,035	(7,359)	N.M.	(83)	(11,399)	(99.3)
Non-controlling interests		(123)	417	N.M.	(237)	479	N.M.
		3,912	(6,942)	N.M.	(320)	(10,920)	(97.1)
Earnings/(Loss) per share (cents)							
Basic and diluted	20	0.7	(1.2)	N.M.	-*	(1.8)	N.M.

N.M. : Not meaningful

* : Less than (0.1)

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		As at 30 September 2022 \$'000	As at 30 September 2021 \$'000	As at 30 September 2022 \$'000	As at 30 September 2021 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		17,014	20,462	8	5,410
Trade and other receivables		11,719	11,535	12	14
Short-term investments	10	18,013	8,847	4,662	4,992
Inventories		2,730	2,289	-	-
Total current assets		49,476	43,133	4,682	10,416
Non-current assets					
Due from subsidiaries		-	-	41,053	37,154
Investment in associates		754	734	-	-
Investment in subsidiaries		-	-	5,424	5,424
Other investments		250	325	-	-
Investments at fair value through profit or loss	11	1,881	2,629	-	-
Goodwill	12	3,405	3,466	-	-
Intangible assets	13	447	480	-	-
Right-of-use assets		24,597	23,360	-	-
Property, plant and equipment		22,882	23,818	-	-
Club memberships		238	238	-	-
Deferred tax assets	14	3,181	3,781	-	-
Total non-current assets		57,635	58,831	46,477	42,578
Total assets		107,111	101,964	51,159	52,994
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables		13,640	11,012	290	222
Provision for reinstatement costs	15	3,741	3,534	-	-
Lease liabilities	16	10,517	10,576	-	-
Bank borrowings	17	5,647	4,491	980	960
Income tax payable		23	-	-	-
Total current liabilities		33,568	29,613	1,270	1,182
Non-current liabilities					
Lease liabilities	16	15,756	14,411	-	-
Bank borrowings	17	11,055	10,858	3,060	4,040
Deferred tax liability		-	13	-	-
Total non-current liabilities		26,811	25,282	3,060	4,040
Capital and reserves					
Share capital	18	49,436	49,436	49,436	49,436
Treasury shares	19	(439)	(405)	(439)	(405)
Currency translation reserve		207	174	-	-
Merger reserve		(2,828)	(2,828)	-	-
Accumulated losses		(1,861)	(1,770)	(2,168)	(1,259)
Equity attributable to owners of the Company		44,515	44,607	46,829	47,772
Non-controlling interests		2,217	2,462	-	-
Total equity		46,732	47,069	46,829	47,772
Total liabilities and equity		107,111	101,964	51,159	52,994

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 2020	48,806	(438)	(191)	(2,828)	9,994	55,343	1,983	57,326
Total comprehensive income for the year:								
Loss/(Profit) 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	630	-	-	-	-	630	-	630
Balance at 30 September 2021	49,436	(405)	174	(2,828)	(1,770)	44,607	2,462	47,069
Total comprehensive income for the year:								
Loss for the year	-	-	-	-	(91)	(91)	(245)	(336)
Other comprehensive income	-	-	33	-	-	33	-	33
Transactions with owners, recognised directly in equity:								
Repurchase of treasury shares	-	(34)	-	-	-	(34)	-	(34)
Balance at 30 September 2022	49,436	(439)	207	(2,828)	(1,861)	44,515	2,217	46,732

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

Company (\$'000)	Share capital	Treasury shares	Accumulated losses	Total
Balance at 1 October 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	630	-	-	630
Balance at 30 September 2021	49,436	(405)	(1,259)	47,772
Total comprehensive loss for the year				
Loss for the year	-	-	(909)	(909)
Transactions with owners, recognised directly in equity:				
Repurchase of treasury shares	-	(34)	-	(34)
Balance at 30 September 2022	49,436	(439)	(2,168)	46,829

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	Group	
	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Operating activities		
Profit/(Loss) before income tax	363	(14,885)
Adjustments for:		
Depreciation expense	5,849	6,766
Depreciation of right-of-use assets	11,804	12,657
Amortisation of intangible assets	21	28
Impairment loss recognised on property, plant and equipment, net	-	83
Interest expense: leases	961	980
Interest expense: bank borrowings	375	163
Interest income	(239)	(118)
Property, plant and equipment written off	-	442
Write-back of reinstatement costs	(79)	-
Loss/(Gain) on disposal of property, plant and equipment	93	(5)
Loss on disposal of investments	10	-
Fair value loss on investments at fair value through profit or loss	748	480
Fair value loss/(gain) on short-term investments	754	(141)
Rental rebates and concessions	(1,934)	(1,364)
Share of results of associates	(20)	443
Share-based payment expense	-	33
Termination of lease	-	(95)
Unrealised foreign exchange loss	139	-
Operating cash flows before movements in working capital	18,845	5,467
Trade and other receivables	(184)	(394)
Inventories	(441)	117
Trade and other payables	2,628	1,356
Cash generated from operations	20,848	6,546
Interest income received	239	118
Interest paid	(1,336)	(1,143)
Income tax paid	(89)	(804)
Net cash from operating activities	19,662	4,717
Investing activities		
Acquisition of property, plant and equipment	(5,552)	(5,027)
Acquisition of treasury shares	(34)	-
Acquisition of other investments	(9,920)	(8,363)
Proceeds from disposal of property, plant and equipment	545	93
Proceeds from disposal of investments	65	-
Reinstatement cost paid	272	(76)
Acquisition of a subsidiary	-	(1,469)
Net cash used in investing activities	(14,624)	(14,842)

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

	Group	
	12 months ended 30 September 2022 \$'000	12 months ended 30 September 2021 \$'000
Financing activities		
Proceeds from bank borrowings	5,000	14,200
Repayment of bank borrowings	(3,647)	(984)
Repayment of lease obligations	(9,823)	(10,543)
Net cash (used in)/generated from financing activities	(8,470)	2,673
Net decrease in cash and cash equivalents	(3,432)	(7,452)
Cash and cash equivalents at beginning of the year	20,462	27,745
Effect of foreign exchange rate changes	(16)	169
Cash and cash equivalents at end of the year	17,014	20,462

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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 months and full year ended 30 September 2022 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 2022.

The accounting policies adopted are consistent with those of the latest audited financial statements for the financial year ended 30 September 2021 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

The Group has adopted the same accounting policies and methods of computation in the condensed interim financial statements as compared to the most recently audited financial statements for the financial year ended 30 September 2021, as well as applicable new and revised SFRS(I) which became effective for financial years beginning on or after 1 October 2021. The adoption of the applicable new and revised SFRS(I) did not require any significant change to the accounting policies, measurement methods or make retrospective adjustments as a result of adopting those SFRS(I).

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 2021.

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 2022	6 months ended 30 September 2021	12 months ended 30 September 2022	12 months ended 30 September 2021
	\$'000	\$'000	\$'000	\$'000
At a point in time:				
Sale of food and beverages	65,042	35,968	114,297	80,755
Franchise income	490	225	570	430
Over time:				
Royalty income	437	190	693	605
Total revenue	65,969	36,383	115,560	81,790
Geographical information:				
Singapore	53,310	17,941	83,352	44,220
PRC	11,039	16,674	27,891	31,763
Taiwan	1,620	1,768	4,317	5,807
	65,969	36,383	115,560	81,790

4.2 A breakdown of sales

	Group		Increase %
	12 months ended 30 September		
	2022 \$'000	2021 \$'000	
Sales reported for:			
(a) First half of the financial year	49,591	45,407	9.2
(b) Second half of the financial year	65,969	36,383	81.3
	<u>115,560</u>	<u>81,790</u>	
Profit/(Loss) reported for:			
(a) First half of the financial year	(4,436)	(4,260)	4.1
(b) Second half of the financial year	4,100	(6,935)	N.M.
	<u>(336)</u>	<u>(11,195)</u>	

5. Financial assets and financial liabilities

The following table sets out the financial instruments as at 30 September 2022 and 2021:

	Group		Company	
	30 September 2022 \$'000	30 September 2021 \$'000	30 September 2022 \$'000	30 September 2021 \$'000
	Financial assets			
Financial assets at amortised cost	19,789	29,303	41,061	42,564
Financial assets at fair value through other comprehensive income ("FVTOCI"):				
Equity instruments classified as FVTOCI	-	75	-	-
Debt instruments designated as at FVTOCI	250	250	-	-
Financial assets measured at fair value through profit or loss ("FVTPL")	<u>19,894</u>	<u>11,476</u>	<u>4,662</u>	<u>4,992</u>
Financial liabilities				
Financial liabilities at amortised cost	24,357	22,774	4,340	5,222
Lease liabilities	<u>26,273</u>	<u>24,987</u>	<u>-</u>	<u>-</u>

6. Profit/(Loss) before taxation

	Group			
	6 months ended	6 months ended	12 months ended	12 months ended
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	\$'000	\$'000	\$'000	\$'000
Income				
Interest income	135	106	239	118
Job support scheme	(193)	1,539	320	3,263
Property tax rebate	-	-	-	22
Rental rebate and concessions	941	1,074	1,934	1,716
Fair value loss on investments at FVTPL classified under other income	(238)	(646)	(748)	(480)
Fair value (loss)/gain on short-term investments	(426)	6	(754)	141
Property, plant and equipment written off	-	(442)	-	(442)
Expenses				
Credit card and delivery commission	965	735	1,949	1,546
General supplies	1,187	803	2,082	1,729
Cleaning services, repairs and maintenance	1,386	1,301	2,451	2,391
Professional fees	264	779	871	1,227
Transportation fees	177	261	362	499
Marketing expense	23	283	767	894
Other receivables written off	6	-	6	-

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 2022	30 September 2021
	\$'000	\$'000
Tax expense comprises:		
Current tax		
- Current year	23	41
- Under provision in respect of prior years	-	337
Withholding tax	89	67
Deferred tax expense/(credit)	587	(4,135)
	699	(3,690)

8. Net asset value (“NAV”)

	Group		Company	
	As at		As at	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
NAV (\$'000)	44,515	44,607	46,829	47,772
Number of shares ('000)	642,194	642,320	642,194	642,320
NAV per share (cents)	6.9	6.9	7.3	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:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

<u>Group</u>	<u>Total</u> \$'000	<u>Level 1</u> \$'000	<u>Level 2</u> \$'000	<u>Level 3</u> \$'000
Financial assets				
30 September 2022				
Other investments				
- Debt instruments classified as at FVTOCI	250	250	-	-
- Equity instruments designated as at FVTOCI	-	-	-	-
Financial assets at fair value through profit or loss:				
- Structured deposits	12,853	-	-	12,853
- Equity investments	1,881	-	-	1,881
- Quoted equity shares	5,160	5,160	-	-
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	2,629	-	-	2,629
- Quoted equity shares	5,476	5,476	-	-

10. Short-term investments

	Group	
	30 September 2022	30 September 2021
	\$'000	\$'000
Financial assets mandatorily measured at FVTPL:		
Held for trading non-derivative financial assets		
- Structured deposits	12,853	3,371
- Quoted equity shares	5,160	5,476
	18,013	8,847

11. Investments at fair value through profit or loss

	Group	
	30 September 2022	30 September 2021
	\$'000	\$'000
Equity investments	2,629	3,109
Fair value loss included in profit or loss for the year as part of "other income"	(748)	(480)
	1,881	2,629

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 2020	1,621
Arising from acquisition of Kok Kee Wonton Noodle Pte Ltd in Singapore	1,814
Exchange gain	31
At 30 September 2021	3,466
Exchange loss	(61)
At 30 September 2022	3,405

12. Goodwill (cont'd)

The carrying amount of goodwill of \$3,405,000 (2021: \$3,466,000) is allocated to the respective CGUs:

	Group	
	30 September 2022	30 September 2021
	\$'000	\$'000
CGUs:		
Ng Ah Sio Bak Kut Teh business in Singapore	782	782
JUMBO Seafood business in Taiwan	809	870
Kok Kee Wanton Noodle Pte Ltd	1,814	1,814
Total	3,405	3,466

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 2022 and 2021, management has assessed that no allowance for impairment was required.

13. Intangible assets

<u>Group</u>	Franchise rights \$'000	Trademark \$'000	Total \$'000
Cost:			
At 1 October 2020	246	-	246
Acquired on acquisition of a subsidiary	-	285	285
Exchange gain	6	-	6
At 30 September 2021	252	285	537
Exchange gain	(12)	-	(12)
At 30 September 2022	240	285	525
Amortisation:			
At 1 October 2020	29	-	29
Amortisation for the year	28	-	28
At 30 September 2021	57	-	57
Amortisation for the year	21	-	21
At 30 September 2022	78	-	78
Carrying amount:			
At 30 September 2022	162	285	447
At 30 September 2021	195	285	480

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 deferred tax assets of \$3,181,000 and \$3,781,000 as at 30 September 2022 and 2021 respectively.

15. Provision for reinstatement costs

	Group	
	30 September 2022	30 September 2021
	\$'000	\$'000
At beginning of year	3,534	1,989
Provision during the year	595	1,598
Utilisation of provision	(272)	(76)
Write-back during the year	(79)	-
Exchange difference	(37)	23
At end of year	<u>3,741</u>	<u>3,534</u>

16. Lease liabilities

	Group	
	30 September 2022	30 September 2021
	\$'000	\$'000
Maturity analysis:		
Year 1	11,245	11,372
Year 2	7,585	6,747
Year 3	4,524	3,353
Year 4	1,403	1,551
Year 5 onwards	3,152	4,106
	<u>27,909</u>	<u>27,129</u>
Less: Future charges	(1,636)	(2,142)
	<u>26,273</u>	<u>24,987</u>
Analysed as:		
Current	10,517	10,576
Non-current	15,756	14,411
	<u>26,273</u>	<u>24,987</u>

17. Bank borrowings

	Group	
	30 September 2022	30 September 2021
	\$'000	\$'000
<u>Unsecured – at amortised cost</u>		
Bank loans	16,702	15,349
Less: Amount due for settlement within 12 months (shown under current liabilities)	(5,647)	(4,491)
Amount due for settlement after 12 months	<u>11,055</u>	<u>10,858</u>

As at 30 September 2022, the Group's unsecured borrowings comprise external bank loans, for tenures ranging from 3 months to 5 years (2021: 3 months to 5 years) and bear an average effective interest rate of between 2% to 2.01% (2021: 2.0% to 2.01%) per annum.

As at 30 September 2022 and 30 September 2021, the Group does not have any secured borrowings or collaterals.

18. Share capital

	Group and Company			
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	Number of ordinary shares		\$'000	\$'000
Issued and paid-up:				
At the beginning of the year	643,658,465	641,833,000	49,436	48,806
Issue of shares for:				
- Consideration paid for acquisition of a subsidiary	-	1,825,465	-	630
	<u>643,658,465</u>	<u>643,658,465</u>	<u>49,436</u>	<u>49,436</u>

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 Wonton Noodle Pte Ltd.

There were no outstanding convertibles and subsidiary holdings held by the Company as at 30 September 2022 and 30 September 2021. There is no change in the share capital of the Company since the end of the previous period reported on.

19. Treasury shares

	Group and Company			
	30 September			
	2022	2021	2022	2021
	Number of ordinary shares		\$'000	\$'000
At the beginning of the year	1,338,100	1,446,600	405	438
Repurchase of treasury shares	126,200	-	34	-
Reissue of treasury shares	-	(108,500)	-	(33)
At the end of the year	<u>1,464,300</u>	<u>1,338,100</u>	<u>439</u>	<u>405</u>

The number of shares held as treasury shares by the Company as at 30 September 2022 and 30 September 2021 were 1,464,300 and 1,338,100, respectively, representing 0.23% and 0.21%, respectively, of the total number of issued shares excluding treasury shares that was listed as at the respective dates.

	As at 30 September 2022	As at 30 September 2021
Total number of issued shares excluding treasury shares	642,194,165	642,320,365

20. Earnings/(Loss) per share

The calculation of the earnings/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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Profit/(Loss) attributable to owners of the Company (\$'000)	4,384	(7,476)	(91)	(11,764)
Weighted average number of ordinary shares ('000)	642,298	641,756	642,309	641,291
Earnings/(Loss) per share Basic and diluted (cents)	0.7	(1.2)	-*	(1.8)

* : Less than (0.1)

There were no dilutive equity instruments outstanding as at 30 September 2022 and 30 September 2021.

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

21. 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 Catalyst Rules

1. Review

The condensed interim consolidated statement of financial position of Jumbo Group Limited and its subsidiaries as at 30 September 2022 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 months and full year ended 30 September 2022 and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Revenue

Our Group's revenue increased by 81.3% or \$29.6 million, from \$36.4 million for the six months period ended 30 September 2021 ("2H2021") to \$66.0 million for the six months period ended 30 September 2022 ("2H2022"). Our Group's revenue increased by 41.3% or \$33.8 million, from \$81.8 million for the financial year ended 30 September 2021 ("FY2021") to \$115.6 million for the financial year ended 30 September 2022 ("FY2022"). The increase was mainly due to an increase in revenue from our Singapore operations with the gradual easing of COVID-19 measures.

With the further easing of COVID-19 measures in Singapore, revenue from our Singapore operations increased by 197.1% or \$35.4 million, from \$17.9 million in 2H2021 to \$53.3 million in 2H2022, and 88.5% or \$39.1 million, from \$44.2 million in FY2021 to \$83.4 million in FY2022.

Revenue from our PRC operations in FY2022 were negatively affected by the COVID-19 measures despite a full year revenue contribution from our new JUMBO Seafood outlet at Universal Beijing Resort. As such, revenue from our PRC operations decreased by 33.8% or \$5.7 million, from \$16.7 million in 2H2021 to \$11.0 million in 2H2022, and 12.2% or \$3.9 million, from \$31.8 million in FY2021 to \$27.9 million in FY2022, from \$31.8 million in FY2021.

With the closure of our Taichung JUMBO Seafood outlet in September 2021, revenue from our Taiwan operations decreased by 8.4% or \$0.2 million, from \$1.8 million in 2H2021 to \$1.6 million in 2H2022, and 25.7% or \$1.5 million, from \$5.8 million in FY2021 to \$4.3 million in FY2022.

Cost of sales

Cost of sales, which comprised raw materials and consumables, increased by 60.6% or \$8.4 million, from \$13.9 million in 2H2021 to \$22.3 million in 2H2022, and 31.7% or \$9.8 million, from \$30.8 million in FY2021 to \$40.6 million in FY2022, in line with the increase in revenue.

Gross profit

Gross profit improved to \$43.7 million in 2H2022, an increase of 94.1% or \$21.2 million. Gross profit margin improved to 66.2% in 2H2022 from 61.9% in 2H2021. Gross profit improved to \$75.0 million in FY2022, an increase of 47.1% or \$24.0 million. Gross profit margin improved to 64.9% in FY2022 from 62.3% in FY2021. The increase in gross margins were largely due to increase in dine-ins and higher franchise and royalty income.

Other income

Other income decreased by 59.8% or \$1.6 million, from \$2.7 million in 2H2021 to \$1.1 million in 2H2022. Other income decreased by 60.2% or \$3.6 million, from \$6.0 million in FY2021 to \$2.4 million in FY2022. The decrease was primarily due to reduced grants from the Jobs Support Scheme, property tax and rental rebates and an increase in fair value losses on investments.

Other information required by Appendix 7C of the Catalyst Rules

Employee benefits expenses

Employee benefits expenses increased by 6.6% or \$1.1 million, from \$17.4 million in 2H2021 to \$18.5 million in 2H2022. Employee benefits expenses increased by 5.6% or \$2.0 million, from \$34.9 million in FY2021 to \$36.9 million in FY2022. The increase was mainly due to additional headcount in Singapore to cater to the increase in business.

Operating lease expenses

Operating lease expenses increased by \$1.8 million from \$0.5 million in 2H2021 to \$2.2 million in 2H2022. Operating lease expenses increased by \$1.9 million, from \$1.1 million in FY2021 to \$3.0 million in FY2022. The increase was largely due to higher variable rent and short term leases in 2H2022 and FY2022.

Utilities expenses

Utilities expenses increased by 63.4% or \$0.8 million, from \$1.4 million in 2H2021 to \$2.2 million in 2H2022. Utilities expenses increased by 34.5% or \$1.0 million, from \$2.9 million in FY2021 to \$3.9 million in FY2022. The increase was mainly due to higher utility usage resulting from the increase in the Singapore operations and higher utility rates from increases in oil prices globally.

Depreciation and amortisation

Depreciation expense for property, plant and equipment ("PP&E") decreased by 9.2% or \$0.3 million, from \$3.2 million in 2H2021 to \$2.9 million in 2H2022. Depreciation expense for PP&E decreased by 13.6% or \$0.9 million, from \$6.8 million in FY2021 to \$5.9 million in FY2022. The decrease was mainly due to higher PP&E being fully depreciated in FY2022.

Depreciation expense for right-of-use assets decreased by 14.2% or \$0.9 million, from \$6.6 million in 2H2021 to \$5.7 million in 2H2022, and 6.7% or \$0.9 million, from \$12.7 million in FY2021 to \$11.8 million in FY2022 as certain leases were renewed on short term basis.

Interest expense

Interest expense for leases decreased by 21.5% or \$0.1 million, from \$0.6 million in 2H2021 to \$0.5 million in 2H2022. Interest expense for leases remained unchanged at \$1.0 million from FY2021 to FY2022.

Interest expense for loans increased by 67.6% or \$0.1 million, from \$0.1 million in 2H2021 to \$0.2 million in 2H2022 and \$0.2 million, from \$0.2 million in FY2021 to \$0.4 million in FY2022, mainly due to a higher level of temporary bridging loans drawn down for working capital purpose.

Other operating expenses

Other operating expenses increased by 31.1% or \$1.9 million, from \$6.0 million in 2H2021 to \$7.8 million in 2H2022. Other operating expenses increased by 20.3% or \$2.4 million, from \$11.8 million in FY2021 to \$14.2 million in FY2022. The increase was mainly due to the increase in business in Singapore resulting from the lifting of COVID-19 measures.

Income tax credit

The \$3.7 million income tax credit in 2H2021 and FY2021 was mainly attributed to the recognition of deferred tax assets from tax losses incurred in subsidiaries. The income tax expense of \$0.7 million in 2H2022 and FY2022 was recognised mainly due to the Singapore operations returns to a taxable position.

Profit/(Loss) attributable to owners of the Company

As a result of the above, profit attributable to owners of the Company stood at \$4.4 million in 2H2022 compared to a loss of \$7.5 million in 2H2021, and a loss of \$0.1 million for FY2022 compared to a loss of \$11.8 million in FY2021.

Other information required by Appendix 7C of the Catalyst Rules

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets increased by \$6.3 million to \$49.5 million as at 30 September 2022, largely due to:

- i. an increase in short-term investments of \$9.2 million, as the Group placed contingent funds from bank borrowings to bank managed funds, which are pending deployment to operations or investments, and excess cash to generate returns; and partially offset by
- ii. a decrease in cash and cash equivalents of \$3.4 million.

Non-current assets

The Group's non-current assets decreased by \$1.2 million to \$57.6 million as at 30 September 2022, largely due to:

- i. a decrease in (a) investments at FVTPL of \$0.7 million due to mark-to-market losses, and (b) net property, plant and equipment of \$0.9 million; and partially offset by
- ii. an increase in right-of-use assets of \$1.2 million mainly due to lease renewals during the financial year.

Current liabilities

The Group's current liabilities increased by \$4.0 million during the financial year to \$33.6 million as at 30 September 2022 mainly due to:

- i. an increase in trade and other payables of \$2.6 million due to more purchases made, in line with the increase in revenue; and
- ii. an increase in bank borrowings of \$1.2 million for working capital purposes.

Non-current liabilities

The Group's non-current liabilities increased by \$1.5 million to \$26.8 million as at 30 September 2022, mainly attributed to an increase in bank borrowings of \$0.2 million for working capital and long-term lease liabilities of \$1.3 million mainly from new leases obtained during the financial year.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of \$18.8 million for FY2022. The higher operating cashflow was predominantly due to higher revenue generated for the year. Net cash generated from operations amounted to \$2.0 million due to mainly to an increase in trade and other payables of \$2.6 million and partially offset by an increase in inventories of \$0.4 million. Including the \$1.3 million paid for interest, net cash generated from operating activities was \$19.7 million for FY2022.

Net cash used in investing activities amounted to \$14.6 million mainly due to:

- i. acquisition of property, plant and equipment of \$5.6 million, largely for the new JUMBO Signatures outlet and Kok Kee Wonton Noodle outlets in Singapore; and
- ii. \$9.9 million deployed to other investments to generate returns to offset interest expense on bank borrowings.

Net cash used in financing activities for FY2022 of \$8.5 million was mainly for the repayment of lease obligations of \$9.8 million and repayment of bank borrowings of \$3.6 million, partially offset by the drawdown of temporary bridging loans amounting to \$5.0 million.

As a result, cash and cash equivalents decreased by \$3.4 million during the financial year to \$17.0 million as at 30 September 2022.

Other information required by Appendix 7C of the Catalyst Rules

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

The further easing of community measures in late August 2022 and the subsequent lifting of vaccination-differentiated safe management measures in Singapore from 10 October 2022, had increased the revenue potential for our Singapore operations and we are optimistic that revenue will return to pre-COVID levels in Singapore. We have seen revenue and footfall reaching pre-COVID levels in some of our Singapore outlets in the final quarter of FY2022.

Since the beginning of FY2022, as part of the Group's strategy to expand the diversity of our offerings and increase our business in Singapore, we added 5 Kok Kee Wonton Noodles outlets and 1 Lau Lim Mee Pok outlet across Singapore, launched our new premium dining concept, JUMBO Signatures at MBS and a mod-Asian gastrobar, Sui Yi Gastrobar, at Riverwalk. For our overseas operations, we added 2 franchised JUMBO Seafood outlets in Ho Chi Minh City, and one each in Hanoi, Xiamen and Seoul.

In recent months, we have also seen significant relaxation in COVID-19 measures beyond Singapore especially in cities in which we have a presence such as Seoul, Taipei, Ho Chih Minh City, Hanoi and Bangkok, and we are looking to improved business from these outlets. However, we are mindful of our PRC operations may be affected by the on-going COVID-19 measures.

Barring any unforeseen circumstances, the Group is cautiously optimistic of a rebound in its business performance for the next 12 months.

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

The board of directors of the Company will not be recommending any final dividend for FY2022 as 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 FY2022.

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 Catalyst Rules

8. Disclosure of persons occupying managerial positions in the Company or any of its subsidiaries who are relative of a director, CEO or substantial shareholder of the issuer pursuant to Rule 704(10)

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	50	Brother of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	Year 2017: Chief Executive Officer (China) Responsible for China business operations.	No change
Mdm. Wendy Ang Chui Yong	53	Sister of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	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

29 November 2022

Ang Kiam Meng
Executive Director and Group CEO

29 November 2022