JUMBO GROUP

SCALING NEW HEIGHTS

ANNUAL REPORT 2023

ASCENDING THE SUMMIT

In FY2023, we made great strides to deliver a set of commendable results. The challenges we faced on the journey of recovery have strengthened our resolve and enabled us to emerge stronger. Though the path ahead remains shrouded with uncertainties, we will continue to focus our efforts towards organisational and operational readiness and productivity, to navigate the obstacles and conquer new peaks ahead.

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

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CORPORATE PROFILE

JUMBO started in 1987 with its first JUMBO Seafood outlet at East Coast Seafood Centre. Since then, it has expanded to include 10 different F&B brands – JUMBO Signatures, JUMBO Seafood, Zui Teochew Cuisine, NG AH SIO Bak Kut Teh, Chao Ting Pao Fan, Kok Kee Wonton Noodle and Mutiara Seafood; operates three Tsui Wah Hong Kong-style "Cha Chaan Teng" outlets as a franchisee in Singapore and co-owns the Singapore Seafood Republic brand which has three outlets, operating under the franchise model in Japan. It also has a joint venture which operates a "Lau Lim Mee Pok" stall in Singapore. This growth has positioned JUMBO as one of Singapore's leading multi-dining concept F&B establishments.

JUMBO strives to fulfil its philosophy of "Bonding People Through Food", operating 42 F&B outlets (including those of its associated companies and those under licensing arrangements) in 13 cities in Asia – Singapore, Shanghai, Beijing, Fuzhou, Xiamen, Seoul, Taipei City, Ho Chi Minh City, Hanoi, Bangkok, Phnom Penh, Tokyo, and Osaka. JUMBO's lifestyle brand, Love, Afare, has a range of products comprising packaged sauces and spice mixes for its signature dishes, snacks, tea and merchandise that are representative of Singapore's authentic food flavours and culture. Through Love, Afare, JUMBO plans to enhance its accessibility, enabling customers around the world to relish in its signature flavours and recreate fond memories forged at JUMBO.

To uphold the consistency and quality of its signature dishes, JUMBO established its Central Kitchen in 2008. Since then, JUMBO is able to increase its productivity and lower costs via centralised production and standardization of operation processes. Moreover, the Research and Development Kitchen, housed within the Central Kitchen, facilitates the creation of new dishes and improvement of food preparation processes. Over the last 36 years, JUMBO has continually focused on serving delectable food coupled with quality services and this has led to many awards, accolades and notable mentions in prestigious publications.

JUMBO Seafood has recently earned a spot on the list of the 150 Most Legendary Restaurants In The World by TasteAtlas, securing the 80th position. This recognition adds to a series of accolades, including the Best Southeast Asian Cuisine 2023 by Tatler Asia, Best Taste of Singapore Award by Singapore Tatler in 2022, 2021 and 2020, Food Choice Awards 2020 by Klook, Diners' Choice 2020 – Restaurant of the Year (Runner-up) and Superbrands Award (Singapore's Choice) in 2019. In 2023, JUMBO Signatures was awarded The Tatler Dining Awards by Tatler Asia Singapore.

The Tasty Singapore Brand Ambassadors 2020/2021/2022 award was another significant accolade for JUMBO Seafood and NG AH SIO Bak Kut Teh. JUMBO's signature Chilli Crab was highlighted by Lifestyle Asia as one of the best in Singapore in 2020. Separately, well-known Straits Times food critic, Wong Ah Yoke recommended JUMBO Seafood's retail sambal sauce as one of the Top 5 sambal sauces fit for a queen. Packaged sauces and spice mixes of JUMBO Seafood and NG AH SIO Bak Kut Teh signature dishes were awarded the "Made With Passion" mark in November 2020 – under a national initiative that celebrates local brands who bring to life the Singapore spirit of turning possibilities into reality.

Overseas, JUMBO Seafood was awarded the China Restaurant Week Spring 2021 Asia Restaurant by Dining City, 2021 Koubei Double 11 Million GMV Brand by Koubei and 2022 Quality Catering Brand by SHANGHAICHAOSHENGHUO. Individually, JUMBO Seafood @ IFC Mall was conferred 2021 Top Global Restaurant and JUMBO Seafood @ iApm was awarded the 2021 Shanghai Must Eat Restaurant by DIAN PING.

In franchising, JUMBO Seafood won the International Franchisor of the Year award by Franchising and Licensing Association Singapore in 2022 and 2023. Our Group CEO was also awarded the Franchise Leader 2023. In addition, JUMBO received the Excellent Service Award from 2008 to 2019 and 5S Excellence Award in 2018, by Restaurant Association of Singapore.

The feather in the cap in 2021 was the endorsement of its human resources processes, where JUMBO was recognized by The Straits Times as one of Singapore's Top 20 Best Employers 2021, the first among restaurants in Singapore. Notably, JUMBO was mentioned during the 2019 National Day Rally speech by Prime Minister Lee Hsien Loong as an example of a company whose emphasis on training and development of local talent led to its growth and global expansion. Furthermore, in 2023, JUMBO received the Certified On-the-Job Training Centre Accreditation and OJT Champion Recognition 2023 from the Institute of Technical Education, Singapore.

JUMBO 珍宝海鲜 SEAFOOD

The Big Name in Seafood

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

黄亚细肉骨茶 NG AH SIO Bak Kut Teh since 1955

Taste of Heritage

Our maiden acquisition in 2010. A brand founded in 1955 and renowned for its savoury, pork-based, peppery Teochew-style soup

國記 KOK KEE WONTON NOODLE

A Timeless Comfort

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

潮亭 CHAO TING Teochew Pao Fan 一品泡饭

Teochew Gourmet Bowl

A creative concept started in 2019, the 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

醉花林品潮轩 CHUI HUAY LIM TEOCHEW CUISINE
醉宇轩经典潮膳 ZUI YU XUAN TEOCHEW CUISINE

Authentic Teochew Cuisine

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

JUMBO Signatures 珍宝经典

The Best of JUMBO Flavours

Celebrate the quintessential taste of Singapore cuisine through intricate tasting menus and wine pairing

MUTIARA SEAFOOD

Halal Singapore-style Seafood

Our first halal Singapore-style seafood restaurant is located at the Wisma Geylang Serai which is envisioned to be the community civic and cultural centre in the heart of Geylang Serai precinct. Wisma Geylang Serai is a multiagency development that celebrates the heritage of Geylang Serai communities, and encourages social interactions and community bonding among different communities of all ages and races

翠華 TSUI WAH SINCE 1967

The Allure of Classic Hong Kong Flavours

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

爱。食。录 LOVE, AFARE

Love Life, Love Food, Love to Share

Curated to share our love for the best authentic taste and mementos representing Singapore, our fans can now relish our signature flavours at the comfort of their homes, recreate and relive the fond memories forged at JUMBO

Serving over
7,000
Diners
Daily
Across

13 Cities in Asia

SINGAPORE

SINGAPORE

JUMBO Signatures
- The Shoppes at Marina Bay Sands

JUMBO Seafood
- East Coast Seafood Centre
- Riverside Point
- Dempsey Hill
- ION Orchard
- Jewel Changi Airport
- The Riverwalk

Mutiara Seafood
- Wisma Geylang Serai

Ng Ah Sio Bak Kut Teh
- Rangoon Road

Zui Teochew Cuisine
- Chui Huay Lim Teochew Cuisine at Chui Huay Lim Club
- Zui Yu Xuan Teochew Cuisine at Far East Square

Chao Ting
- Far East Square

Lau Lim Mee Pok
- Ang Mo Kio

Kok Kee Wonton Noodle
- Foch Road
- The Shoppes at Marina Bay Sands
- Toa Payoh HDB Hub
- Ang Mo Kio
- Punggol
- Jurong Point
- Bedok North
- East Coast Road

Tsui Wah
- The Heeren
- Jem
- Jewel Changi Airport

OUR
PRESENCE

CHINA

SHANGHAI

JUMBO Seafood
- Iapm
- IFC Mall
- L'Avenue

BEIJING

JUMBO Seafood
- SKP Mall
- Universal Citywalk Beijing

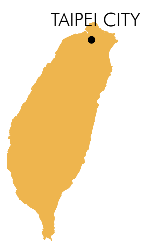
FUZHOU

JUMBO Seafood
- Rong Qiao The Bund

XIAMEN

JUMBO Seafood
- JFC Piushang Center

TAIWAN



TAIPEI CITY

JUMBO Seafood
- Shin Kong Mitsukoshi Xinyi Place A8

VIETNAM

HO CHI MINH CITY

JUMBO Seafood
- Dong Khoi
- Nguyen Dinh Chieu
- Tran Hung Dao

HANOI

JUMBO Seafood
- Ngoc Khanh

THAILAND

BANGKOK

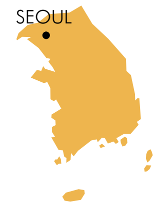
JUMBO Seafood
- ICONSIAM
- Siam Paragon

CAMBODIA

PHNOM PENH

JUMBO Seafood
- Chip Mong 271 Mega Mall

SOUTH KOREA



SEOUL

JUMBO Seafood
- IFC Mall

JAPAN

TOKYO

Singapore Seafood Republic
- Kaigan
- Ginza

OSAKA

Singapore Seafood Republic
- Daimaru Umeda

Soaring forward, our strategy continues to revolve around adaptability, innovation and efficient resource management to navigate challenges and seize opportunities for sustainable growth. We will continue to emphasize technology adoption, train and develop our people and acquire new talent, as we set our sights for greater heights.

SOARING **BEYOND LIMITS**

OUR MILESTONES

1987
OUR BEGINNING

Flagship JUMBO Seafood outlet opened at East Coast Seafood Centre in Singapore

2002
START OF GROWTH

Second JUMBO Seafood outlet opened at Riverside Point

2008
SCALING UP FOR EXPANSION

Established JUMBO Central Kitchen

2010
MAIDEN M&A

Acquired NG AH SIO Bak Kut Teh

2011
VENTURING INTO AUTHENTIC TEOCHEW CUISINE

Chui Huay Lim Teochew Cuisine opened at Chui Huay Lim Club

2013
OVERSEAS EXPANSION

Flagship JUMBO Seafood outlet opened in Shanghai

2015
GOING PUBLIC

Listed on SGX Catalist

2017
START OF FRANCHISING

First JUMBO Seafood franchise outlet opened in Ho Chi Minh City

2018
ENTRY INTO ASIA

Expansion of JUMBO Seafood outlets in Asia-Beijing, Shanghai, Fuzhou, Taipei City, Bangkok and Ho Chi Minh City

2018
BEING A FRANCHISEE

Brought Tsui Wah Cha Chaan Teng into Singapore

2019
BIRTH OF CHAO TING

First Chao Ting Pao Fan outlet opened in Singapore

2020
FIRST INORGANIC EXPANSION POST-LISTING

Acquisition of Kok Kee Wonton Noodle in Singapore

2021
GROWTH OF KOK KEE WONTON NOODLE

Opening of the 6th Kok Kee Wonton Noodle outlet in Singapore

LAUNCH OF JUMBO'S LIFESTYLE BRAND – LOVE, AFARE

JUMBO rebranded its retail portfolio arm with Love, Afare

2022
LAUNCH OF JUMBO'S PREMIUM BRAND

First JUMBO Signatures outlet at The Shoppes at Marina Bay Sands in Singapore

OVERSEAS EXPANSION

Added more JUMBO Seafood outlets in Asia - Ho Chi Minh City, Hanoi, Phnom Penh, Bangkok, Xiamen and Seoul

LAU LIM MEE POK JOINT VENTURE

Lau Lim Mee Pok opened an outlet in Singapore

2023
EXPANDING CUSTOMER BASE

Opened Flagship Halal-certified seafood concept - Mutiara Seafood at Wisma Geylang Serai

MESSAGE FROM CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

"We remain steadfast in our commitment to expanding JUMBO, **SCALING NEW HEIGHTS**, and elevating the JUMBO brand worldwide."

Dear Shareholders,

On behalf of the Board of Directors of the Company ("**Board**"), we are pleased to present JUMBO's annual report for the financial year ended 30 September 2023 ("**FY2023**").

Year in Review

The lifting of COVID-19 measures throughout the world in 2022 and 2023 significantly bolstered our overall performance in FY2023. While this development brings considerable comfort to our Shareholders and employees, we are fully aware of the disparate pace of recovery across our markets and the operational challenges thereon.

Our business in Singapore has made substantial strides in FY2023. The revenue of our key brands – JUMBO Seafood and Zui Teochew Cuisine – have recovered to pre-COVID levels in Singapore. In addition, our premium brand, JUMBO Signatures, has continued to attract both new and existing diners since its opening in January 2022 at The Shoppes at Marina Bay Sands.

Our business in the PRC saw a slight recovery following the lifting of the zero-COVID policy in January 2023. However, the PRC has since entered a phase of subdued growth resulting from a fragile economic recovery. The challenging economic conditions in Taiwan led to the closure of our JUMBO Kitchen outlet in Taipei City in early 2023.

Throughout FY2023, the sudden increase in business activities, coupled with the ongoing Russia-Ukraine conflict and the delicate bilateral relationship between the US and PRC, resulted in supply-side challenges such as manpower shortages, disruptions in supplies and escalated costs across multiple facets including salaries, utilities, logistics and borrowings. In response to these challenges, along with the slow growth in the PRC, we redoubled our efforts towards organizational and operational readiness, efficiency and productivity.

We continue to emphasise technology adoption, train and develop our people and acquire new talent, enabling JUMBO to scale new heights.

We have steadfastly emphasised the cultivation of our next generation of talents. In 2023, we intensified our commitment with the implementation of innovative strategies in collaboration with educational institutions as part of our youth engagement initiatives. The dynamism of 2023 was evident as our Learning and Development team effectively orchestrated a diverse array of activities with notable success. These initiatives significantly broadened our knowledge base, contributing to the development of our future talents. Our collaborations with government agencies and educational institutions ensure a continuous enhancement of the workforce within the F&B industry.

We are committed to expand and diversify our dining options to achieve a broader customer base. In March 2023, we introduced Mutiara Seafood, our very first halal seafood dining concept at Wisma Geylang Serai. Mutiara Seafood provides our Malay community with the opportunity to relish the halal rendition of JUMBO Seafood dishes especially that of our famous Singapore Award-winning Chilli Crab. It is also a place where friends and business associates of different races can dine and congregate, realising our vision of "Bonding People Through Food".

The challenges faced by JUMBO during the COVID pandemic, and our focused on digital transformation, regional expansion, and product diversification, were clearly supported by one of our independent directors, Dr Lim Boh Soon, who

MESSAGE FROM CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

then initiated to the Singapore Management University ("**SMU**"). This resulted in the publication of a case study in November 2023, aimed at imparting strategic insights into change management and digital transformation strategies within the F&B industry to SMU's local and international students. Notably, this showcases JUMBO as one of the first few SGX-listed companies to be featured in this manner.

Financial Highlights

In FY2023, the Group delivered a much improved set of performance, largely credited to the relaxation of COVID-19 measures in Singapore. Total revenue surged by 54.7% to reach $178.8 million. Specifically, revenue stemming from our Singapore operations saw a remarkable 78.0% increase to $148.4 million. However, challenges related to the zero-COVID policy in the PRC during the initial half of FY2023 impacted our PRC operations, leading to an overall revenue decline of 6.5% to $26.1 million.

Primarily due to the substantial uptick in business activities within our Singapore operations, profit attributable to owners of the Company stood at $14.6 million in FY2023, a significant improvement from the $0.1 million loss reported in FY2022. Additionally, the EBITDA for FY2023 surged to $37.6 million, marking a noteworthy increase from the $19.4 million recorded in FY2022.

Dividends

Given our commendable performance in FY2023, the Board has proposed a final tax-exempt (one tier) cash dividend of 1.0 cent per share for FY2023.

Going Forward

As we embark on the new financial year, the Group holds a positive view of our Singapore operations. The relaxation of vaccination-based safety measures and global border openings has rejuvenated our key brands and brought revenues back to pre-COVID levels. Despite this growth, we remain mindful of challenges posed by increased operational expenses, including raw materials, labor, and utilities. While benefiting from eased restrictions locally and internationally, we acknowledge potential hurdles, particularly in the PRC market. Sales in the PRC have yet to fully recover, and economic conditions may prolong this recovery process.

Our strategy revolves around adaptability, innovation and efficient resource management to navigate challenges and seize opportunities for sustainable growth. We are committed to closely monitoring these challanges and taking essential measures to ensure consistent growth and profitability.

Unless unforeseen circumstances arise, the Group holds a cautiously optimistic view of its business performance for the upcoming 12 months.

Acknowledgement

On behalf of the Board, we would like to extend our heartfelt gratitude to our dedicated management and staff for their unwavering commitment and loyalty during the challenging times of the COVID-19 pandemic. Their dedication and resilience have been instrumental in not just navigating through the pandemic but also ensuring our success and profitability. We deeply appreciate the support of our business partners and the loyalty of our customers. We are committed to maintaining our exceptional quality of food and service.

To our Shareholders, we express gratitude for your trust and support. We remain steadfast in our commitment to expanding JUMBO, scaling new heights, and elevating the JUMBO brand worldwide.

TAN CHER LIANG
INDEPENDENT CHAIRMAN

ANG KIAM MENG
GROUP CEO AND EXECUTIVE DIRECTOR

AWARDS AND ACCOLADES

150 Most Legendary Restaurants in the World 2023
JUMBO Seafood

International Franchisor of the Year 2023
JUMBO Seafood

Best Southeast Asian Cuisine Award 2023
JUMBO Seafood

The Tatler Dining Awards Singapore 2023
JUMBO Signatures

Diners' Choice 2021 - Singapore River Signatures
JUMBO Seafood (Riverside Point)

Singapore's Top 20 Best Employers 2021
JUMBO Group of Restaurants

2022 Quality Catering Brand
2022年度高品质餐饮品牌
JUMBO Seafood

DIANPING MUST-TRY RESTAURANT
2021大众点评必吃榜上海必吃餐厅
JUMBO Seafood (IAPM)

2021 Top Global Restaurant
2021全球餐厅精选榜金牌餐厅
JUMBO Seafood (IFC)

China Restaurant Week Spring 2021 Asia Restaurant
2021春季中国餐厅周亚洲餐厅之星
JUMBO Seafood

Diners' Choice 2020 - Restaurant of the Year (Runner-up)
JUMBO Seafood

Superbrands Award (Singapore's Choice) 2019
JUMBO Seafood

FINANCIAL HIGHLIGHTS

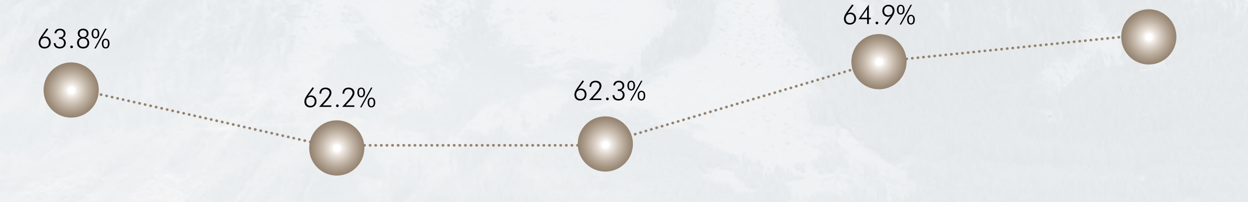
FY2023 REVENUE
$178.8M
(FY2022: $115.6m) Up 54.7% YoY

FY2023 GROSS PROFIT
$117.0M
(FY2022: $75.0m) Up 56.1% YoY

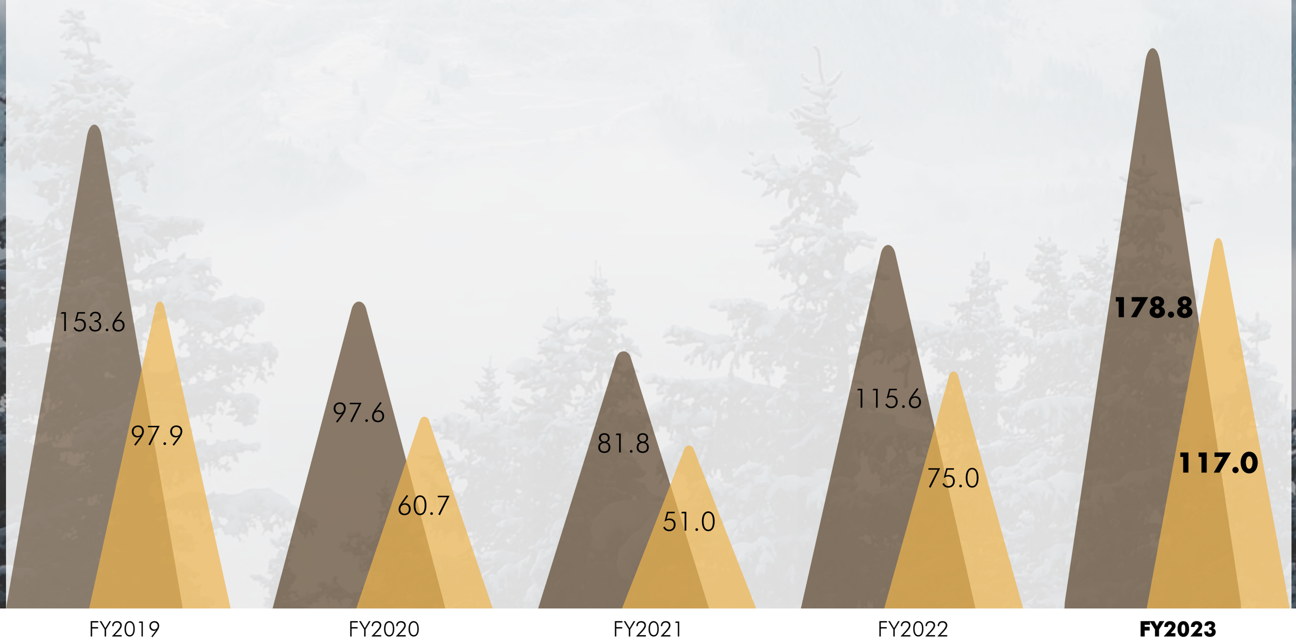
FY2023 PATOC[1]
$14.6M
(FY2022 LATOC[2]: $0.1m)

FY2023 EBITDA[3]
$37.6M
(FY2022: $19.4m) Up 93.8% YoY

GROSS PROFIT MARGIN



REVENUE & GROSS PROFIT ($M)

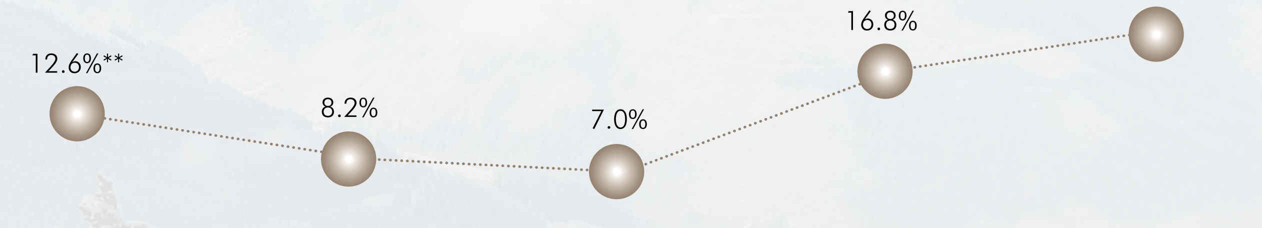


1. PATOC: Profit attributable to owners of the Company
2. LATOC: Loss attributable to owners of the Company
3. EBITDA: Earnings before interest, taxes, depreciation and amortisation

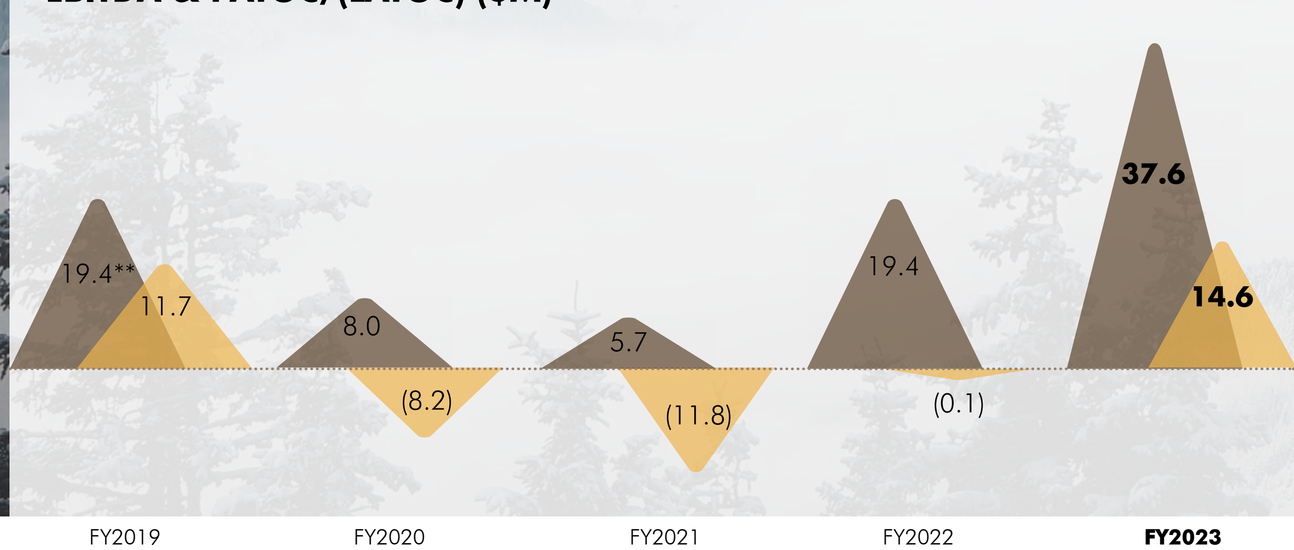
FINANCIAL HIGHLIGHTS

$'000	FY2019	FY2020	FY2021	FY2022	FY2023
Revenue	153,631	97,573	81,790	115,560	**178,756**
Profit/(Loss) before tax	13,951	(9,974)	(14,885)	363	**18,417**
Profit/(Loss) for the year	10,855	(9,870)	(11,195)	(336)	**14,222**
Net profit/(loss) attributable to:					
Owners of the Company	11,668	(8,169)	(11,764)	(91)	**14,605**
Non-controlling interests	(813)	(1,701)	569	(245)	**(383)**
Profit/(Loss) for the year	10,855	(9,870)	(11,195)	(336)	**14,222**
Basic and diluted earnings/(loss) per share (cents)	1.8	(1.3)	(1.8)	-*	**2.3**

EBITDA MARGIN



EBITDA & PATOC/(LATOC) ($M)



* Less than (0.1) cents
** EBITDA and EBITDA margin for FY2019 is not comparable against FY2020 to FY2023 due to the adoption of SFRS(I)16, effective from 1 October 2019

FINANCIAL HIGHLIGHTS

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Our Group's revenue increased by 54.7% or $63.2 million, from $115.6 million for FY2022 to $178.8 million for FY2023. This increase was mainly due to the increase in revenue from our Singapore operations resulting from the lifting of COVID-19 measures. While revenue from the sale of food and beverages increased, the revenue from franchise income decreased as there was no new franchise outlet in FY2023.

The sustained recovery coupled with the strategic conversion of the SuiYi Gastrobar at The Riverwalk into a Jumbo Seafood outlet in January 2023 resulted in the increase in revenue in the Singapore operations. Revenue from our Singapore operations increased by 78.0% or $65.0 million from $83.4 million in FY2022 to $148.4 million in FY2023.

Following the end of PRC's zero-COVID policy in December 2022, our PRC operations experienced a positive shift with an increase in revenue in 2H2023. However, the zero-COVID policy challenges faced in 1H2023 resulted in an overall decrease in revenue in FY2023 of 6.5% or $1.8 million, from $27.9 million in FY2022 to $26.1 million in FY2023.

Revenue for our Taiwan operations increased in 2H2023. This increase is offset by a decrease in 1H2023 largely due to a three-week shutdown of operations in our Taipei outlet for renovation. As a result, revenue from Taiwan operations remained constant at $4.3 million in FY2022 and FY2023.

Cost of sales

Cost of sales increased by 52.1% or $21.1 million, from $40.6 million in FY2022 to $61.7 million in FY2023. This increase is in-line with the increase in revenue.

Gross profit

Gross profit increased by 56.1% or $42.0 million, from $75.0 million in FY2022 to $117.0 million in FY2023. Despite the decrease in gross profit margin in 2H2023 compared to 2H2022, gross profit margin increased by 0.6 percentage point from 64.9% in FY2022 to 65.5% in FY2023.

Other income

Other income increased by 124.9% or $2.8 million, from $2.2 million in FY2022 to $5.0 million in FY2023. This is mainly due to an increase in government grants and credit scheme, fair value gains on investments at FVTPL and on short-term investments recognised.

Employee benefits expenses

Employee benefits expenses increased by 52.8% or $19.5 million from $36.9 million in FY2022 to $56.4 million in FY2023. This increase in employee benefit expenses is mainly due to increases in headcount to support the increases in revenue, basic pay and bonuses.

Operating lease expenses

Operating lease expenses increased by 49.0% or $1.5 million from $3.0 million in FY2022 to $4.5 million in FY2023. This increase is due to higher variable rent resulting from higher revenue.

Utilities expenses

Utilities expenses increased by 31.9% or $1.2 million from $3.9 million in FY2022 to $5.1 million in FY2023. This increase is due to the increase in revenue and higher utility rates.

Depreciation and amortisation

Depreciation for property, plant and equipment ("**PPE**") decreased by 3.7% or $0.2 million from $5.8 million in FY2022 to $5.6 million in FY2023 mainly due to the increase in fully depreciated PPE in FY2023.

Depreciation expense for right-of-use ("**ROU**") assets increased by 2.2% or $0.3 million from $11.8 million in FY2022 to $12.1 million in FY2023. The increases in depreciation expense for ROU are due to renewal of leases and one new outlet.

Interest expense

Interest expense for leases remained unchanged at $1.0 million in FY2022 and FY2023.

Interest expense for loans increased by 20.0% or $0.1 million, from $0.4 million in FY2022 to $0.5 million in FY2023. The increases are due to a mortgage loan being drawn down in December 2022, partially offset by repayment of bank loans.

Other operating expenses

Other operating expenses increased by 27.0% or $3.9 million from $14.2 million in FY2022 to $18.1 million in FY2023. These increases are in-line with the general increase in business activities.

Income tax expense

The income tax expense of $4.2 million in FY2023 was recognised mainly due to the Singapore operations returning to a taxable position.

Profit attributable to owners of the Company

For FY2023, profit attributable to owners of the Company stood at $14.6 million compared to a loss of $0.1 million in FY2022.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets increased by $22.9 million to $72.4 million as at 30 September 2023, largely due to (i) an increase in short-term investments of $7.6 million, as the Group placed cash generated from operations and funds from bank borrowings to bank managed funds to generate returns to offset interest expense; (ii) an increase in inventories of $0.2 million; and (iii) an increase in cash and cash equivalents of $16.6 million from operations during the year; and partially offset by a decrease in trade and other receivables of $1.5 million.

Non-current assets

The Group's non-current assets increased by $1.7 million to $59.3 million as at 30 September 2023, largely due to an increase in PP&E of $3.8 million mainly due to the acquisition of a property for restaurant operations and renovations for a few outlets during the year; and partially offset by a decrease in deferred tax assets of $1.9 million due to utilization of tax losses brought forward from prior years.

Current liabilities

The Group's current liabilities increased by $12.2 million to $45.0 million as at 30 September 2023 mainly due to (i) an increase in trade and other payables of $9.0 million mainly due to higher business activities during the year; (ii) an increase in income tax payable of $2.0 million due to higher profits in FY2023; (iii) an increase in lease liabilities of $0.7 million due to the signing of new lease for Mutiara Seafood outlet and lease renewals; and (iv) an increase in bank borrowings of $0.3 million due to the drawdown of a mortgage loan to fund the acquisition of a property.

Non-current liabilities

The Group's non-current liabilities decreased marginally by $0.9 million to $26.8 million as at 30 September 2023.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of $37.3 million in FY2023. Net cash generated from operations amounted to $47.2 million due to a decrease in trade and other receivables of $1.0 million, an increase in trade and other payables of $9.0 million and slightly offset by an increase in inventories of $0.2 million. Including the $1.6 million paid for interest and income tax and $0.6 million interest income received, net cash generated from operating activities were $46.2 million in FY2023.

Net cash used in investing activities amounted to $17.3 million mainly due to (i) an acquisition of property, plant and equipment of $10.0 million, of which $5.5 million was for the acquisition of a property for restaurant operations, while the remaining was for renovations for our new Mutiara Seafood outlet at Wisma Geylang Serai and existing outlets, namely the JUMBO Seafood outlets at IFC in Shanghai, and at The Riverwalk and Dempsey in Singapore; (ii) $7.4 million deployed to short-term investments to generate returns to offset interest expense on bank borrowings.

Net cash used in financing activities for FY2023 of $12.9 million was mainly due to the repayment of lease obligations of $13.0 million, repayment of bank borrowings of $4.0 million and the repurchase of treasury shares that amounted to $0.3 million partially offset by the drawdown of a $4.4 million mortgage loan for the acquisition of a property for restaurant operations.

As a result, cash and cash equivalents increased by $16.0 million during the financial year to $33.7 million as at 30 September 2023.

BOARD OF DIRECTORS AND KEY MANAGEMENT

Mr. Tan Cher Liang

Independent Chairman

Mr. Tan Cher Liang is our Independent Chairman. He joined our Company as Lead Independent Director on 22 October 2015 and was redesignated as Independent Chairman on 1 February 2017. Mr. Tan was last re-elected to the Board on 31 January 2023. Mr. Tan has more than 40 years of experience in corporate advisory and general management. Currently, he also serves on the boards of various public and private companies in Singapore including being an Independent Chairman of Vibrant Group Limited, and an Independent Director of Kingsmen Creatives Ltd, Food Empire Holdings Limited, Wilton Resources Corporation Limited and IPC Corporation Ltd. He is also a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation and EtonHouse Community Fund Ltd. Mr. Tan is a qualified financial professional from the Association of Chartered Certified Accountants of the United Kingdom. Mr. Tan was awarded the Public Service Medal in 1996.

Mr. Ang Kiam Meng

Group CEO and Executive Director

Mr. Ang Kiam Meng is our Group CEO and Executive Director. He was appointed to our Board on 4 February 2015 and was last re-elected on 31 January 2023. Mr. Ang has been serving with our Group for over 30 years. Mr. Ang is responsible for the overall management, operations, strategic planning, and business development of our Group. He has been, and continues to be, instrumental to our Group's continued success and growth. He is responsible for, *inter alia*, setting and executing our Group's vision, mission, core values and goals, driving the operational efficiency of our Group's work processes, monitoring the development and performance of our Group's business and identifying new opportunities for our Group's expansion domestically and internationally. Prior to joining our Group, Mr. Ang worked with Singapore Technologies Electronics Limited (formerly known as Singapore Electronic & Engineering Limited) from 1986 to 1993, holding various positions such as Software Engineer and Product Manager. Mr. Ang currently also serves as Chairman of the Technology Committee and Council Member of the Singapore Chinese Chamber of Commerce & Industry, as well as Committee Member of the Restaurant Association of Singapore. Mr. Ang is currently a board director of the Chinese Development Assistance Council and Nam Hwa Opera Limited. Mr. Ang obtained a Graduate Diploma in Business Administration from the Singapore Institute of Management in 1991 and graduated with a Bachelor of Arts (majoring in Computer Science) from the University of Texas at Austin (USA) in 1985.

BOARD OF DIRECTORS AND KEY MANAGEMENT

Mdm. Tan Yong Chuan, Jacqueline

Executive Director

Mdm. Tan Yong Chuan, Jacqueline is our Executive Director. She was appointed to our Board on 4 February 2015 and was last re-elected on 29 January 2021. Mdm. Tan has been serving with our Group for over 25 years. Mdm. Tan has been, and continues to be, crucial to the operations of our Group, overseeing the procurement and purchasing function, merchandising and pricing strategies of our Group, and monitoring the key performance indicators for our Group, such as customer engagement and reviews. Mdm. Tan is also responsible for strategising and implementing key improvements to our Group's various processes, to continually raise our Group's standards of quality and service. Part of her portfolio includes overseeing our Group's business development and expansion activities. Prior to joining our Group, from 1985 to 1987 and from 1989 to 1990, Mdm. Tan worked at Boulevard Hotel Singapore, a member of the Goodwood Group, holding various positions, including Personnel Manager. From 1988 to 1989, Mdm. Tan worked in the administrative department of NHS Scotland. Mdm. Tan obtained a Graduate Diploma in Personnel Management from the Singapore Institute of Management in 1987 and graduated with a Bachelor of Business Administration from the National University of Singapore in 1984. She also obtained a Master of Counselling degree from Monash University in 2020.

Mrs. Christina Kong Chwee Huan

Executive Director and COO

Mrs. Christina Kong Chwee Huan is our Executive Director. She was appointed to our Board on 22 October 2015 and was last re-elected on 28 January 2022. Since joining our Group as Manager of Human Resource and Corporate Affairs in 2008 until the beginning of 2023, Mrs. Kong oversaw our Group's operations, human resource and learning and development divisions. Leveraging on her extensive experience, Mrs. Kong was promoted to Chief Operating Officer on 13 February 2023. In her current capacity, she oversees our Group's operations and marketing divisions, taking charge of aligning and executing marketing strategies to maximize the potential of our brands. Mrs. Kong maintains a close collaboration with the Human Resource Director to ensure the fulfilment of our operational human resource requirements.

Mrs. Kong joined our Group as a purchasing executive from 1993 to 1994. Between 1995 and 2000, she provided educational services, before joining the Ministry of Education as a teacher from 2001 to 2007. Mrs. Kong obtained a Postgraduate Diploma in Education from the Nanyang Technological University in 2004 and graduated with a Bachelor of Science from the University of Birmingham (United Kingdom) in 1991. She also obtained a Human Resource Graduate Certification from the Singapore Management University in 2014.

Dr. Lim Boh Soon
Independent Director

Dr. Lim Boh Soon was appointed as our Independent Director on 22 October 2015 and was last re-elected on 28 January 2022. Dr. Lim has more than 29 years of experience in the banking and finance industry in Asia. He is currently a Director of Arise Asset Management Pte. Ltd, the Lead Independent Director of OUE Limited, which is listed on the Main Board of the SGX-ST, an Independent Director of NASDAQ-listed Tomi Environmental Solutions Inc. and an Independent Director of Bursa Malaysia-listed V.S. Industry Berhad. Prior to that, Dr. Lim was the first non-Muslim CEO of Kuwait Finance House (Singapore) Pte. Ltd. from 2007 to 2010, and the first foreign CEO of Vietcombank Fund Management Company in Vietnam from 2005 to 2007. Dr. Lim was a Group Corporate Director of Autron Corporation Limited from 2002 to 2006 (concurrently when he was CEO of Vietcombank Fund Management Company). From 1996 to 1999, Dr. Lim co-headed UBS Capital Asia Pacific (S) Limited and was also a member of its Regional Investment Committee that managed the Swiss Bank proprietary large private equity funds. Prior to that, he also served in senior management positions for several large regional and global companies, including the Singapore Technologies Group and Rothschild Ventures Asia.

Dr. Lim obtained a Bachelor of Science with First Class Honours and a Doctor of Philosophy in Mechanical Engineering from the University of Strathclyde, United Kingdom, in 1981 and 1985, respectively. He also received a Graduate Diploma in Marketing Management from the Singapore Institute of Management, and a Diploma in Marketing from the Chartered Institute of Marketing, United Kingdom, in 1991. Dr. Lim is a Fellow of the Singapore Institute of Directors.

Mr. Richard Tan Kheng Swee
Independent Director

Mr. Richard Tan Kheng Swee was appointed as our Independent Director on 22 October 2015 and was last re-elected on 28 January 2022.

He has more than two decades of experience in legal and commercial practice and is currently the Managing Director of Lide Legal, a Singapore law corporation. His practice includes advising and representing companies in a wide range of commercial transactions from startups and fund management companies to listed entities and multinational companies in a multitude of countries and jurisdictions. Some of the typical matters he handles include asset acquisitions, initial public offerings and other fund-raising exercises, mergers and acquisitions, restructuring exercises, intellectual property advisory, corporate advisory and compliance involving both listed and private companies. Prior to Mr. Tan's current appointment, he previously managed and practised in a large Singapore law practice as well as a mid-sized Australian law practice in New South Wales. Mr. Tan graduated with a Bachelor of Laws (Honours) from the National University of Singapore and a Bachelor of Science (Honours) from the University of Melbourne, Australia. He is an Advocate & Solicitor of the Supreme Court of Singapore, a Barrister & Solicitor of the Supreme Court of Victoria, Australia and a Solicitor of the High Court of Australia.

BOARD OF DIRECTORS
AND KEY MANAGEMENT

Ms. Sim Yu Juan Rachel
Non-Executive Director

Ms. Sim Yu Juan Rachel was appointed as our Non-Executive Director on 17 February 2020 and was last re-elected on 29 January 2021. She was previously our Alternate Director to Mr. Ron Sim Chye Hock when he was a Non-Executive Director of our Company.

Ms. Sim is currently Deputy Managing Director at TWG Tea Co Pte Ltd ("**TWG Tea**"). She is responsible for overseeing business objectives, focusing on corporate communications, digital expansion, strategic growth and overall performance of the TWG Tea business.

Prior to her current role, Ms. Sim headed the global marketing team at TWG Tea. She helped raise its international brand profile through strategic partnerships and driving the company's global marketing strategy. She managed the TWG Tea brand's portfolio of digital marketplace brand stores and was responsible for driving growth in third party online channels. She joined the global marketing team in September 2014 as a marketing executive focusing on developing partnership and advertising campaigns.

Between November 2012 and September 2014, Ms. Sim was part of the local sales team of TWG Tea managing corporate accounts and was part of the regional sales team (North Asia) assisting with opening of new stores in Taiwan and PRC including overseeing sales in the Hong Kong market. Ms. Sim continues to support the growing North Asia team through her current role.

KEY MANAGEMENT

Mr. Tan Yeow Meng, Stanley
Group Senior Financial Controller

Mr. Tan Yeow Meng, Stanley was appointed as Senior Financial Controller in December 2022 and was subsequently appointed as Group Senior Financial Controller in January 2024. He is responsible for the overall finance functions and accounting matters of our Group, including the implementation of internal controls and monitoring and reporting on our Group's financial performance and overseeing the preparation of accounts and financial statements of our Group.

Mr. Tan has over 22 years of experience in accounting, audit and finance. Prior to joining our Group, he served as the Financial Controller at Imperial Treasure Restaurant Group Pte Ltd, a F&B group operating fine dining restaurants, from February 2016 to November 2022. Preceding this role, Mr. Tan served as the Group Financial Controller of Breadtalk Group Ltd, a former Main Board-listed company on the SGX-ST, from October 2011 to January 2016. His earlier tenure includes serving as the Senior Finance Manager at Excelpoint Technology Ltd, a former Main Board-listed company on the SGX-ST, from June 2007 to September 2011.

Mr. Tan graduated with a Bachelor of Business in Accountancy from RMIT University, Australia and he is a Certified Practising Accountant (CPA) of CPA Australia.

CORPORATE SOCIAL RESPONSIBILITY

JUMBO has consistently prioritized the cultivation of our next generation of talents. In 2023, we intensified our commitment by implementing innovative strategies in collaboration with educational institutions as part of our youth engagement initiatives. The year proved to be highly dynamic as our Learning and Development team effectively orchestrated a diverse range of activities with notable success:

- **13th WorldSkills ASEAN Competition 2023** was attended by 12,000 students from MOE Secondary Schools, witnessed the JUMBO Try-a-skill booth actively engaging with over 1000+ youths, delegates, and public attendees.
- **JUMBO Learning Journeys** extended to nearly 525 students from Secondary schools and ITE, providing them with insights into JUMBO and imparting skills and experiences relevant to the F&B industry.
- **JUMBO Work Experience Programme** supported 22 Secondary school students, offering them valuable skills and work experience at various JUMBO Restaurant outlets.
- **JUMBO Chef Demo Workshop** showcased our culinary expertise offering personal engagement with 40 ITE Culinary students, providing them with the opportunity to cook alongside our experienced chefs.
- **1st JUMBO x ITE Culinary Hackathon Competition**, themed - "REDUCE. REUSE. REINVENT." is a collaborative effort between JUMBO and ITE in alignment with Ministry of Sustainability and the Environment (MSE) Zero Waste Masterplan. The competition involved 32 ITE Culinary students who showcased their creativity by transforming food trimmings into innovative dishes.

These initiatives have played a crucial role in expanding the knowledge base of JUMBO and the F&B industry, making substantial contributions to the development of our future talents. Our collaborations with government agencies and educational institutions ensure a continuous enhancement of the workforce within the F&B industry.

SUSTAINABILITY REPORT

JUMBO will be publishing its standalone FY2023 Sustainability Report (the "**SR**") by 31 January 2024, disclosing the sustainability practices and performance of JUMBO from 1 October 2022 to 30 September 2023. The SR will cover the listed entity, JUMBO Group Limited, as well as its central kitchen operations and all its outlets directly under JUMBO Group of Restaurants Pte Ltd in Singapore.

JUMBO recognizes the importance of environmental, social and governance considerations in creating value for its business and stakeholders. The SR will share information on JUMBO's sustainability governance structure, stakeholder engagement as well as materiality process and results. The SR demonstrates JUMBO's commitment to improve its sustainability efforts through disclosing how it measures the performance, manages and monitors key sustainability risks and opportunities, as well as the goals set for the forthcoming year. The SR will be prepared with reference to the GRI Standards and will comply with Rules 711A and 711B of the Catalist Rules. The SR will be publicly accessible through JUMBO's corporate website as well as SGXNET.

CORPORATE INFORMATION

Board of Directors

Mr. Tan Cher Liang
(Independent Chairman)

Mr. Ang Kiam Meng
(Group CEO and Executive Director)

Mdm. Tan Yong Chuan, Jacqueline
(Executive Director)

Mrs. Christina Kong Chwee Huan
(Executive Director and COO)

Mr. Richard Tan Kheng Swee
(Independent Director)

Dr. Lim Boh Soon
(Independent Director)

Ms. Sim Yu Juan Rachel
(Non-Executive Director)

Audit Committee

Mr. Tan Cher Liang (Chairman)
Mr. Richard Tan Kheng Swee
Dr. Lim Boh Soon

Nominating Committee

Dr. Lim Boh Soon (Chairman)
Mr. Tan Cher Liang
Mr. Richard Tan Kheng Swee
Mr. Ang Kiam Meng

Remuneration Committee

Mr. Richard Tan Kheng Swee (Chairman)
Mr. Tan Cher Liang
Dr. Lim Boh Soon

Company Secretary

Ms. Chee Yuen Li, Andrea, LLB (Honours)

Company Registration Number

201503401Z

Registered Office

4 Kaki Bukit Avenue 1
#03-08
Singapore 417939
Tel: +65 6265 8626
Fax: +65 6749 4955
Website: www.jumbogroup.sg

Share Registrar and Share Transfer Office

Boardroom Corporate &
Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

Investor Relations

Mr. Tan Yeow Meng, Stanley
Group Senior Financial Controller
4 Kaki Bukit Avenue 1
#03-08
Singapore 417939
Tel: +65 6265 8626
Fax: +65 6749 4955
Website: investor.jumbogroup.sg
Email: ir@jumbogroup.com.sg

Auditors

Deloitte & Touche LLP
6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809

Partner-in-charge:
Mr. Ng Meng Chuan
(A member of the Institute of Singapore Chartered Accountants)
Date of appointment: 31 January 2023

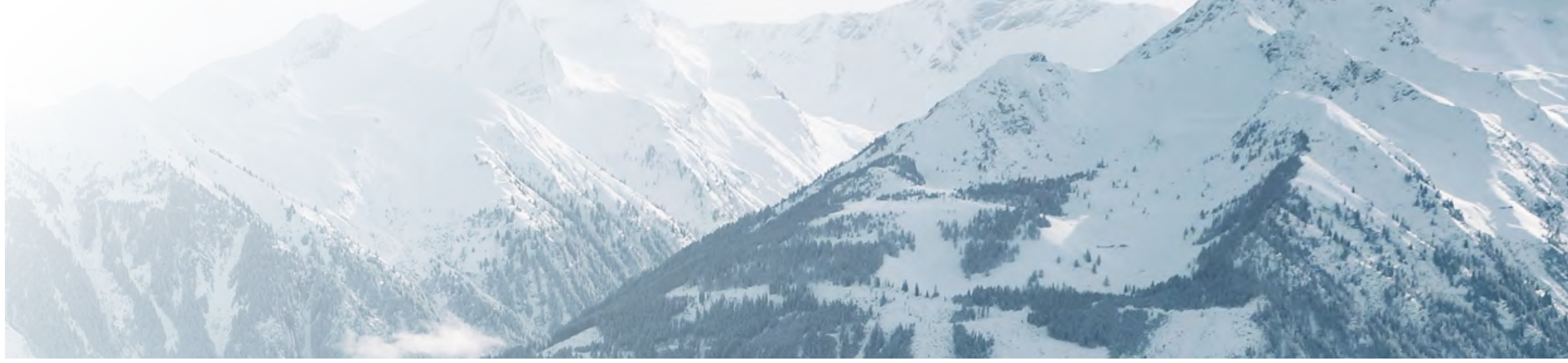
Principal Bankers

DBS Bank Ltd
12 Marina Boulevard
Level 43
DBS Asia Central @MBFC Tower 3
Singapore 018982

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Sponsor

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624



CORPORATE GOVERNANCE REPORT AND FINANCIAL CONTENTS

CORPORATE GOVERNANCE REPORT

JUMBO Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to achieving a high standard of corporate governance, and to complying with the Code of Corporate Governance 2018 (the "**Code**"). The Company believes that good corporate governance provides the framework for an ethical and accountable corporate environment, which will maximise long-term value for the shareholders of the Company ("**Shareholders**") and protect their interests. This report describes the Group's main corporate governance practices for the financial year ended 30 September 2023 ("**FY2023**") with specific references to the principles and provisions of the Code.

The Company is pleased to confirm that throughout FY2023, the Group has complied with the principles of the Code. Where there are deviations from the provisions of the Code, reasons and explanations on how the Company's practices adopted are consistent with the intent of the relevant principle have been provided, where appropriate.

1. BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Each Director is a fiduciary who must act objectively in the best interests of the Company and hold the Company's management ("**Management**") accountable for performance. In furtherance of this principle, the Board has adopted a code of conduct and ethics, set appropriate tone-from-the top and desired organisational culture, and ensured proper accountability within the Group. Directors are not to allow themselves to be placed in a position of real or apparent conflict of interest. Directors facing conflicts of interest must recuse themselves from discussions and decisions involving the issues of conflict.

The principal roles of the Board are to:

- provide entrepreneurial leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- ensure that the necessary resources are in place for the Company to meet its strategic objectives;
- establish and maintain a sound risk management system to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Company performance;
- constructively challenge the Management and review its performance;
- instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and
- ensure transparency and accountability to key stakeholder groups.

Delegation by the Board

Board Committees, namely the Nominating Committee (the "**NC**"), the Remuneration Committee (the "**RC**"), the Audit Committee (the "**AC**") and the Investment Committee (the "**IC**") have been constituted to assist the Board in the discharge of specific responsibilities. The duties, authorities and accountabilities of each committee are set out in their respective written terms of reference. The Board Committees report their activities regularly to the Board and minutes of the Board Committee meetings are also regularly provided to the Board. The effectiveness of each Board Committee is also constantly monitored to ensure their continued relevance. Further information on the roles and responsibilities of the NC, the RC, the AC and the IC are provided below.

Board Approval

The Board decides on matters that require its approval and clearly communicates this to Management in writing.

Matters which specifically require the Board's approval are:

- annual budget;
- corporate strategy and business plans;
- major funding proposals and investments;
- the appointment and remuneration packages of the Directors and the Management;
- the Group's half-yearly and full-year financial results announcements;
- annual report and accounts for each financial year;
- material acquisitions and disposals of assets;
- share issuances, interim dividends and other returns to Shareholders; and
- matters involving a conflict of interest for a substantial Shareholder or a Director.

While matters relating to the Group's strategies and policies require the Board's direction and approval, the Management is responsible for the day-to-day operations and administration of the Group.

Board and Board Committee Meetings

The schedule of all Board and Board Committee meetings and the annual general meeting ("**AGM**") for each financial year is planned well in advance, in consultation with the Directors. The Board meets at least four (4) times a year at regular intervals and on an ad hoc basis, as and when circumstances require. Telephonic and video-conferencing at Board and Board Committee meetings are allowed under the Company's constitution ("**Constitution**").

CORPORATE GOVERNANCE REPORT

The number of Board and Board Committee meetings held for FY2023 as well as the attendance of each Director at these meetings is set out below:

	Board Meeting		AC Meeting		NC Meeting		RC Meeting		IC Meeting	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Mr. Tan Cher Liang	5	5	3	3	1	1	1	1	1	1
Mr. Ang Kiam Meng	5	5	3	3*	1	1	1	1*	1	1
Mdm. Tan Yong Chuan, Jacqueline	5	5	3	3*	1	–	1	–	1	–
Mrs. Christina Kong Chwee Huan	5	4	3	3*	1	–	1	–	1	–
Dr. Lim Boh Soon	5	5	3	3	1	1	1	1	1	1
Mr. Richard Tan Kheng Swee	5	5	3	3	1	1	1	1	1	1
Ms. Sim Yu Juan Rachel	5	4	3	3*	1	–	1	–	1	–

* Attendance by invitation

Board Orientation and Training

A formal letter of appointment is provided to every new Director, setting out his/her duties and obligations. A new Director will attend briefings organised by the Company to familiarise himself/herself with the Group's business, operations, structure and governance practices relating to, *inter alia*, disclosure of interests in the Company's securities, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information. For new first-time Directors who do not have prior experience as a director of a public listed company in Singapore, they will be required to attend the mandatory training within one (1) year from their appointment date as prescribed in the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**").

All Directors are also briefed and provided with regular updates in areas such as corporate governance, commercial risks, changes to laws and regulations pertaining to the Group's business and operations, and changes in financial reporting standards, so as to develop and maintain their skills and knowledge and enable them to properly discharge their duties as Board members. In addition, all Directors have completed the course on sustainability matters organised by the Singapore Institute of Directors as required under Rule 720 of the Catalist Rules.

Further, in order to provide the Independent Directors and Non-Executive Director with a better understanding of the Group's business and operations, the Company organises visits to the Group's headquarters, including its central kitchen and its various F&B outlets. The Directors can also request for further briefings or information on any aspect of the Group's business or operations from the Management.

Access to Information

The Company makes available to all Directors its management accounts and other financial statements, budgets and forecasts, together with all other relevant information. The Directors may seek detailed information from the Management regarding the management accounts and other financial statements, budgets and forecasts, where necessary. In addition, the Management provides the Directors with complete, adequate and timely information prior to the scheduled meetings and on an ongoing basis so as to enable the Directors to make informed decisions and discharge their duties and responsibilities.

The Directors have been provided with the contact details of the Management and company secretary to facilitate separate and independent access at all times. The appointment and removal of the company secretary is a decision of the Board as a whole. The Directors may, in furtherance of their duties, take independent professional advice, if necessary, at the Company's expense.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

<u>Board Composition</u>

Currently, the Board comprises seven (7) Directors, three (3) of whom are independent, which complies with the Code's guideline on the proportion of Independent Directors on the Board. The Board is constituted as follows:

Mr. Tan Cher Liang	(Independent Chairman)
Mr. Ang Kiam Meng	(Group CEO and Executive Director)
Mdm. Tan Yong Chuan, Jacqueline	(Executive Director)
Mrs. Christina Kong Chwee Huan	(Executive Director and COO)
Dr. Lim Boh Soon	(Independent Director)
Mr. Richard Tan Kheng Swee	(Independent Director)
Ms. Sim Yu Juan Rachel	(Non-Executive Director)

As three (3) out of seven (7) members of the Board are Independent Directors, there is a strong independent element on the Board and no individual or small group of individuals dominate the Board's decision-making process. In addition, the Board has an Independent Chairman, Mr. Tan Cher Liang. The Non-Executive Directors make up a majority of the Board.

Each year, the Board reviews its size and composition, taking into account, *inter alia*, the Board Diversity Policy implemented by the Company. Key considerations in the Board Diversity Policy include the scope and nature of the Group's business and operations and the benefits of all aspects of diversity, including but not limited to gender, age, educational background and professional experience in order to provide the Board access to an appropriate range and balance of skills, knowledge, experience and backgrounds. The Board is of the view that the Directors hold core competencies such as accounting, finance and legal expertise, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge. The Board has also agreed to adopt a gender diversity target that is aligned with the gender diversity target set by the Council for Board Diversity ("**CBD**"). The CBD advocates for women board representation of 25% by 2025 and 30% by 2030. At present, the Board has two (2) female Executive Directors, namely Mdm. Tan Yong Chuan, Jacqueline and Mrs. Christina Kong Chwee Huan, and one (1) female Non-Executive Director, namely Ms. Sim Yu Juan Rachel. The Company will maintain at least 25% women representation on its Board until 2025 and review the targeted representation in due course.

The Board has also assessed that its diversity profile in terms of skills and knowledge are adequate to support the Company's strategic objectives. The Independent Directors and Non-Executive Director contribute accounting and finance knowledge, legal expertise and business management experience to the Group, and provide the Executive Directors and the Management with diverse and objective perspectives on issues considered by the Board. The Independent Directors and Non-Executive Director also aid in developing the Group's strategic process, reviewing the performance of the Management in meeting agreed goals and objectives, and monitoring the reporting of performance and operations as an appropriate check and balance. The Independent Directors and/or Non-Executive Director meet regularly on their own without the presence of the Executive Directors and the Management and provide feedback to the Group CEO after such meetings.

CORPORATE GOVERNANCE
REPORT

Hence, the Board believes that its current composition provides an appropriate balance of skills, experience, gender and knowledge, which guards against groupthink and fosters robust discussions, which in turn leads to better decision-making.

<u>Board Independence</u>

The independence of each Director is reviewed by the NC on an annual basis. In determining whether a Director is independent, the NC has considered the guidelines set out in the Code and the Catalist Rules.

The Code has defined an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.

Under Rule 406(3)(d) of the Catalist Rules, a director will not be independent under any of the following circumstances:

- if he is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years;
- if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years, and whose remuneration is or was determined by the RC; or
- if he has been a director of the Company for an aggregate period of more than 9 years (whether before or after listing).

The Directors complete an annual declaration of independence, whereby they are required to assess their independence taking into account the Code, its accompanying Practice Guidance and the above requirements, which is then put to the NC for review. The Directors are also required to disclose any business relationships with the Company, its related corporations or its officers which may interfere with, the exercise of their independent business judgment in the best interests of the Company, or would otherwise deem them to be not independent. Following its annual review, the Board and the NC are of the view that Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee are independent.

At present, there are no Independent Directors who has served beyond nine (9) years since the date of his first appointment. Our Independent Directors, Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee, will reach the nine year limit of their tenure in October 2024. To be in compliance with Rule 406(3)(d)(iv), Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee have decided to retire and not seek re-election at the forthcoming AGM of the Company. The Board is cognizant of the requirements of the Catalist Rules and the Code, and is in the midst of finding a new Independent Director. The Company will release the announcement regarding the appointment of the new Independent Director in due course.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company has a separate Chairman and Group CEO. This ensures that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Chairman and Group CEO are not related to each other.

Mr. Tan Cher Liang is the Independent Chairman. He promotes high standards of corporate governance and leads the Board to ensure its effectiveness on all aspects of its role. As part of his administrative duties, the Independent Chairman sets the Board meeting agenda in consultation with the senior Management and the company secretary, and ensures that adequate time is available for the discussion of all agenda items and that the Directors receive complete, adequate and timely information. He also encourages constructive relations within the Board and between the Board and the Management and facilitates effective contribution of the Independent Directors and Non-Executive Director. In addition, the Independent Chairman is responsible for ensuring effective communication with Shareholders. He will also take the lead in ensuring compliance with the Code.

Mr. Ang Kiam Meng is the Group CEO and Executive Director. He is responsible for the overall management, operations, strategic planning, and business development of the Group, and ensuring a cohesive working relationship among the Directors and timeliness of information flow between the Board and the Management.

The Company does not have a Lead Independent Director given that the majority of the Board is non-executive and that the Chairman is independent. Furthermore, the NC, the RC, the AC and the IC are all chaired by the Independent Directors.

Board Membership

Principle 4: The board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the board.

<u>Nominating Committee</u>

The NC is chaired by Dr. Lim Boh Soon and comprises Mr. Ang Kiam Meng, Mr. Tan Cher Liang, and Mr. Richard Tan Kheng Swee. Majority of the NC members, including the Chairman of the NC, are Independent Directors.

The NC holds at least one (1) meeting in each financial year. The principal role of the NC in accordance with its written terms of reference is as follows:

- reviewing, assessing and recommending the appointment of new Directors and the re-appointment or re-election of Directors, taking into consideration each Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each Director's respective commitment(s) outside the Group;

- determining annually, as and when circumstances require, whether or not a Director is independent;

- developing a process and criteria for evaluating the effectiveness of the Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of the Board;

- reviewing the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender, knowledge of the Group and core competencies of the Directors as a group, so as to ensure that the Board is able to function competently and efficiently;

- reviewing succession plans for the Directors and key management personnel, in particular, the Group CEO and the Independent Chairman; and

- recommending to the Board the induction training programmes for new Directors and reviewing the training and professional development programmes for the Board.

The date of first appointment and date of last re-election of each Director is set out below. For the profiles of the Directors, please refer to the section entitled "Board of Directors and Key Management" of this annual report. In addition, information on each Director's shareholding in the Company, if any, is set out in the section entitled "Directors' Statement" of this annual report.

Name of Director	Date of first appointment	Date of last re-election
Mr. Tan Cher Liang	22 October 2015	31 January 2023
Mr. Ang Kiam Meng	4 February 2015	31 January 2023
Mdm. Tan Yong Chuan, Jacqueline	4 February 2015	29 January 2021
Mrs. Christina Kong Chwee Huan	22 October 2015	28 January 2022
Dr. Lim Boh Soon	22 October 2015	28 January 2022
Mr. Richard Tan Kheng Swee	22 October 2015	28 January 2022
Ms. Sim Yu Juan Rachel	17 February 2020	31 January 2023

Mr. Ang Kiam Meng, Mdm. Tan Yong Chuan, Jacqueline, and Mrs. Christina Kong Chwee Huan do not have any other public listed company board representations or other principal commitments.

Mr. Tan Cher Liang is the Independent Chairman of Vibrant Group Limited, and an Independent Director of Kingsmen Creatives Limited, Food Empire Holdings Limited, Wilton Resources Corporation Limited, and IPC Corporation Ltd, which are public listed companies. Mr. Tan Cher Liang is also a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation and EtonHouse Community Fund Ltd.

Dr. Lim Boh Soon is the Lead Independent Director of OUE Limited, which is listed on the Mainboard of the SGX-ST, an Independent Director of NASDAQ-listed Tomi Environmental Solutions Inc and Bursa Malaysia listed V.S. Industry Berhad. He is also a Director of Arise Asset Management Pte Ltd.

Mr. Richard Tan Kheng Swee is the Managing Director of LIDE Legal LLC, a Singapore law corporation. Mr. Richard Tan Kheng Swee does not have any other public listed company board representations or other principal commitments.

Ms. Sim Yu Juan Rachel is the Deputy Managing Director of TWG Tea Co Pte Ltd. Ms. Sim Yu Juan Rachel does not have any other public listed company board representations or other principal commitments.

<u>Directors' Commitments</u>

The NC ensures that new directors are aware of their duties and obligations. The NC also considers whether each Director is able to and has been adequately carrying out his duties as a Director of the Company, taking into consideration, *inter alia*, the Director's number of public listed company board representations and other principal commitments. In addition, the NC will also take into consideration, *inter alia*, a qualitative assessment of each Director's contributions as well as any other relevant time commitments.

The Board is of the view that at present, it would not be meaningful to prescribe a maximum number of listed company board representations and other principal commitments which any director may hold as it does not wish to omit from consideration outstanding individuals who, despite the demands of their time, have the capacity to participate as members of the Board. Nevertheless, the Board tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Group. The NC has reviewed each Director's directorships and principal commitments as well as each Director's attendance and contributions to the Board. Despite the multiple directorships of some Directors, the NC is satisfied that the Directors spent adequate time and attention on the Company's affairs and have diligently discharged their responsibilities. In addition, each Director has confirmed that notwithstanding other listed company board representations and other principal commitments (if any), he/she is able to devote sufficient time and attention to the affairs of the Group. The NC and the Board will continue to review from time to time the listed company board representations and other principal commitments of each Director to ensure that the Directors continue to meet the demands of the Company and are able to discharge their duties adequately.

Process for Nomination and Selection of New Directors

The Company adopts a comprehensive and detailed process in the selection of new Directors. Candidates will be first sourced through an extensive network of contacts and selected based on, *inter alia*, the needs of the Group and the relevant expertise required. When necessary, the NC may seek the help of external consultant(s) in the search process. In selecting suitable candidates, the Board, in consultation with the NC, will consider the Group's strategic goals, business direction and needs. The Board will also consider the Board Diversity Policy in seeking any new appointment to the Board. The NC will conduct interviews with the candidates, and nominate the candidate deemed most suitable for appointment to the Board.

Process for Re-nomination and Re-election of Directors

In recommending a Director for re-election to the Board, the NC considers, *inter alia*, his/her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). All Directors submit themselves for re-nomination and re-election at regular intervals in accordance with the Constitution. Pursuant to Regulation 89 of the Constitution, one-third of the Board are to retire from office by rotation and be subject to re-election at the AGM of the Company. In addition, Regulation 88 of the Constitution provides that a newly appointed Director must retire and submit himself/herself for re-election at the next AGM following his/her appointment. Thereafter, he/she is subject to be re-elected by rotation in accordance with the Constitution.

Each member of the NC shall abstain from voting on any resolutions in respect of his re-nomination and re-election.

Mdm. Tan Yong Chuan, Jacqueline, Dr. Lim Boh Soon, and Mr. Richard Tan Kheng Swee will be retiring pursuant to Regulation 90 of the Constitution at the forthcoming AGM and will not be offering themselves for re-election. Please refer to the section entitled "Notice of AGM" of this annual report for more details.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Board Evaluation Process

The NC assesses and discusses the performance of the Board as a whole and its Board Committees on an annual basis. Each Director completes a confidential questionnaire, and the responses are presented to the NC for review, following which the NC will recommend to the Board key areas for improvement and follow-up actions. The Board acts on the feedback and in consultation with the NC, proposes, where appropriate, new Directors to be appointed or seeks the resignation of Directors.

Each Director will evaluate the performance of the Board taking into account a set of objective performance criteria recommended by the NC which includes, *inter alia*, Board composition and size, Shareholders' access to information, Board processes, Board effectiveness, Board standards of conduct and financial performance indicators. The Board is of the view that this set of performance criteria allows for appropriate comparison and addresses how the Directors have enhanced long-term Shareholders' value. For FY2023, the NC is of the view that the Board has fared well against the performance criteria and objectives and the NC is satisfied with the performance of the Board. The NC did not engage any external facilitator to assist with the assessment of the Board's performance for FY2023.

Individual Director Evaluation

The NC will assess each Director's contribution to the effectiveness of the Board. In evaluating the contribution by each Director, various factors will be taken into consideration, including individual performance of principal functions and fiduciary duties, attendance and participation in meetings and commitment of time to Director's duties. The NC will also consider other contributions by a Director such as providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and the Director's accessibility to the Management outside of formal Board and/or Board Committee meetings. The performance of each Director will be taken into account in re-election. Each member of the NC has abstained from the voting or review process of any matters in connection with the assessment of his/her performance as a Director of the Company.

2. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration Committee

The RC is chaired by Mr. Richard Tan Kheng Swee and comprises Mr. Tan Cher Liang and Dr. Lim Boh Soon. All the RC members, including the Chairman, are Independent Directors. The RC holds at least one (1) meeting in each financial year. The principal role of the RC, in accordance with its written terms of reference, is as follows:

- recommending to the Board a framework of remuneration for the Board and key management personnel, and determine specific remuneration packages for each Director and key management personnel;
- reviewing the remuneration of the employees related to the Directors and substantial Shareholders who hold managerial positions;
- reviewing and approving any bonuses, pay increments and/or promotions for the related employees who hold managerial positions;
- setting the remuneration guidelines and policies of the Group; and
- administering the Jumbo employee share option scheme (the "**Share Option Scheme**") and the Jumbo performance share plan (the "**Performance Share Plan**"). Details of the Share Option Scheme and the Performance Share Plan are contained in the Company's offer document dated 28 October 2015 ("**Offer Document**").

The Board considers that the members of the RC, who each have many years of experience in senior management positions and/or on the boards of various listed companies, collectively have strong management experience and expertise on remuneration issues. If necessary, the RC may seek expert advice inside and/or outside the Company on the remuneration of all Directors and the Management. The RC shall ensure that remuneration consultants, if engaged, shall be free from any relationships with the Company which might affect their objectivity and independence. For FY2023, the RC did not engage any remuneration consultants.

Procedures for Setting Remuneration

The Company has implemented formal and transparent procedures and policies in relation to executive remuneration and for determining the remuneration packages of individual Directors. The RC reviews and recommends to the Board a general framework of remuneration and specific remuneration packages for the Board and key management personnel, covering all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind. The RC's recommendations are submitted for endorsement by the entire Board. Each RC member does not participate in discussions, and abstains from decision-making, in relation to any remuneration, compensation, options or any form of benefits to be granted to him. No Director is involved in deciding his/her own remuneration.

The RC also reviews all aspects of remuneration, including the Company's obligations, if any, arising in the event of termination of the Executive Directors' and/or key management personnel's contracts, to ensure that the terms are fair and reasonable. Currently, save as required for compliance with the applicable laws of Singapore and the People's Republic of China ("**PRC**"), the Group has not set aside any amounts to provide for pension, retirement or similar benefits for the Group's employees.

CORPORATE GOVERNANCE REPORT

Remuneration Policies

In order to maximise Shareholders' value and promote the long-term success of the Group, the Company seeks to attract, retain and motivate the Management and employees by tailoring competitive remuneration packages to the specific role and circumstances of each Director, the Group CEO and key management personnel. This ensures an appropriate renumeration level and mix that recognises the performance, potential, and responsibilities of these individuals.

The remuneration of the Management and employees is set based on, *inter alia*, each individual's scope of responsibilities, prevailing market conditions, the Company's risk policies, the time horizon of such risks and comparable industry benchmarks. The Company rewards the Management and employees based on achievement of individual performance objectives using indicators such as competencies, key result areas, performance ratings and the Group's financial performance. The Board is of the view that performance-based remuneration will motivate the Management and employees to achieve superior performance and promote the long-term growth of the Group.

Under the terms of the service agreements entered into with the Executive Directors, the Company is entitled to reclaim, in full or in part, any incentive bonus paid to the Executive Director, under circumstances of (i) misstatement of financial results, or (ii) misconduct of the Executive Director, resulting, directly or indirectly, in financial loss to the Company, as may be determined by the Board in its absolute discretion.

Executive Directors and Key Management's Remuneration

Each of the Executive Directors and key management personnel is entitled to, *inter alia*, a base salary and performance-related incentives linked to the financial performance of the Group and the individual's performance, which is assessed based on the respective key performance indicators allocated to them. The Executive Directors do not receive Directors' fees from the Company.

Each of the Executive Directors has entered into a service agreement with the Company. Under the terms of their service agreements, each of the Executive Directors is entitled to an incentive bonus based on, *inter alia*, the financial performance of the Group and his/her individual performance for that year. The terms of the Executive Directors' service agreements and their remuneration packages are subject to review by the RC. There are no excessive or onerous removal clauses in these service agreements. Further details of the service agreements with the Executive Directors are set out in the Offer Document. The service agreements were last reviewed by the RC and renewed in FY2023. Save for the adjustment in remuneration, the material terms of the new service agreements remain the same as the previous service agreements.

The following performance conditions have been selected to motivate the Executive Directors and key management personnel to work in alignment with the interests of all stakeholders:

Performance Conditions	**Performance Criteria**	
Qualitative	(a)	Leadership
	(b)	People development
	(c)	Commitment
	(d)	Teamwork
	(e)	Current market and industry practices
Quantitative	(a)	Profit before tax
	(b)	Relative financial performance of the Group to its industry competitors

For FY2023, the RC is of the view that the performance conditions were met by each of the Executive Directors and the key management personnel.

Independent Directors' and Non-Executive Director's Remuneration

The Independent Directors and Non-Executive Director have not entered into service agreements with the Company. Each Independent Director or Non-Executive Director receives a basic fee for serving on the Board. The fees are determined by the Board, taking into account the effort, time spent and responsibilities of the Independent Director or Non-Executive Director, and subject to approval of Shareholders at each AGM. The Independent Directors and Non-Executive Director have not been over-compensated to the extent that their independence is compromised.

Level and Mix of Remuneration

Details of the remuneration of the Directors, Group CEO and the Company's key management personnel for FY2023 are set out below.

(a) Directors

Name of Director	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration	
	%	%	%	%	%	%	%	Band[1]
Executive Directors								
Mr. Ang Kiam Meng	–	28.1	70.7	1.2	–	–	100.0	III
Mdm. Tan Yong Chuan, Jacqueline	–	36.3	57.3	6.4	–	–	100.0	II
Mrs. Christina Kong Chwee Huan	–	34.3	58.5	7.2	–	–	100.0	II
Independent Directors and Non-Executive Director								
Mr. Tan Cher Liang	100.0	–	–	–	–	–	100.0	I
Dr. Lim Boh Soon	100.0	–	–	–	–	–	100.0	I
Mr. Richard Tan Kheng Swee	100.0	–	–	–	–	–	100.0	I
Ms. Sim Yu Juan Rachel	100.0	–	–	–	–	–	100.0	I

Note:

[1] Band I: Remuneration of between $0 and $250,000 per annum
Band II: Remuneration of between $750,001 and $1,000,000 per annum
Band III: Remuneration of between $1,500,001 and $1,750,000 per annum

Notwithstanding that it is a variation from Provision 8.1 of the Code, which provides for the amount of remuneration received by each individual Director and the CEO to be disclosed, the Company has disclosed each Director's remuneration in bands of $250,000 and provided a further detailed breakdown of the remuneration in percentage terms into fixed salary, variable or performance-related incentives/bonuses, benefits-in-kind, share-based incentives and awards. The Company is of the view that this is sufficient to provide Shareholders insight into the level and mix of compensation of the Directors and the links between the Directors' remuneration and their performance. Further details regarding the remuneration of each Director are deemed, in light of the sensitivities of remuneration in a small and medium size enterprise environment, not to be in the best interests of the Company. Save as disclosed above, no other long-term incentives and no termination, retirement or post-employment benefits have been granted to the Directors or the Group CEO.

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The RC has recommended the payment of (i) additional Directors' fees of $145,200 for FY2023 to compensate the Directors for additional work undertaken; and (ii) Directors' fees of up to $170,000 for FY2024, which will be tabled at the forthcoming AGM for Shareholders' approval.

(b) Key Management Personnel

Name of Key Management Personnel[1]	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration
	%	%	%	%	%	%	%
Between $500,001 and $750,000 per annum							
Mr. Tay Peng Huat	–	38.5	54.2	7.3	–	–	100.0

Note:

[1] The Company only has one (1) key management personnel who is not a Director or the Group CEO

The Company has disclosed its key management personnel's remuneration in bands of $250,000 as well as a breakdown (in percentage terms) into fixed salary, variable or performance-related incentives/bonuses, benefits-in-kind, share-based incentives and awards. Save as disclosed above, there are no other long-term incentives and no termination, retirement or post-employment benefits granted to the key management personnel.

As the Company only has one (1) key management personnel who is not a Director or the Group CEO, it is not in the best interests of the Company to disclose the aggregate remuneration paid to the top five (5) key management personnel.

During FY2023, the following employees of the Group are immediate family members of a Director or the Group CEO:

Name of employees who are immediate family members	Relationship with the Directors or the Group CEO	Remuneration Band[1]
Mr. Ang Kiam Lian	Brother of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	II
Mdm. Wendy Ang Chui Yong	Sister of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	III
Mdm. Ang Yun-Lin, Angie	Daughter of Mr Ang Kiam Meng and Mdm. Tan Yong Chuan, Jacqueline	I

Note:

[1] Band I: Remuneration of between $100,001 and $200,000 per annum
Band II: Remuneration of between $200,001 and $300,000 per annum
Band III: Remuneration of between $300,001 and $400,000 per annum

Save as disclosed above, there are no other employees who are related to the Directors, the Group CEO or a substantial shareholder, and whose remuneration exceeds $100,000.

Employee Share Scheme(s)

The Company has adopted the Share Option Scheme and the Performance Share Plan. The Share Option Scheme and the Performance Share Plan will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. The Share Option Scheme and the Performance Share Plan, which form an integral part and important component of the employee compensation plan, are designed to primarily reward and retain Directors and employees whose services are vital to the Group's well-being and success. As at the date of this annual report, no options have been granted under the Share Option Scheme since its commencement. Information on awards that have been granted under the Performance Share Plan is disclosed in the section entitled "Directors' Statement" and Note 25 in the notes to the financial statements of this annual report. No options or awards were granted to the directors and employees of the parent company and its subsidiaries.

Further details of the Share Option Scheme and the Performance Share Plan are set out in the Company's Offer Document.

3. ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board, with the assistance of the AC, has oversight of the Group's risk management framework and policies, including reviewing the Group's business and operational activities to determine the nature and extent of significant business risks, and recommending to the Management the appropriate strategy and resources required for managing risks that are consistent with the Group's risk appetite.

In line with the Company's disclosure obligations under the Catalist Rules, the Board's policy is that Shareholders shall be informed of all major developments relating to the Group. Information is communicated to Shareholders on a timely basis through SGXNET and, if relevant, the press. The Board also provides Shareholders with a detailed explanation of the Group's financial performance, financial position and prospects on a half yearly basis.

The Management makes available to all Directors, the management accounts and other financial statements, together with all other relevant information of the Group's financial performance, financial position and prospects on a half yearly basis and as and when the Directors may require from time to time.

The Board ensures that relevant regulatory requirements and any updates thereof will be highlighted from time to time to ensure compliance with all relevant regulatory requirements.

The Group has put in place appropriate risk management processes to evaluate the operating, investment and financial risks of the Group. The Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies. The Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the AC.

The Board reviews the adequacy and effectiveness of the Group's risk management systems and internal controls framework, including financial, operational, compliance and information technology controls.

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Material transactions are also subject to risk analysis by the AC and the Management, and measures to safeguard against significant risks are established prior to undertaking new projects. The AC, together with the Management, will continue to enhance and improve the existing risk management and internal control systems.

The internal and external auditors also assist in the risk management process by identifying certain areas of concern that are uncovered through financial/audit checks. The key risks facing the Group have been identified and appropriate measures are in place to mitigate such risks.

For FY2023, the Board has received assurance from the Group CEO and Executive Director, and the Chief Financial Officer that the financial records have been properly maintained, the financial statements give a true and fair view of the Group's operations and finances, and the Group's risk management and internal control systems are adequate and effective.

Based on the internal controls (including financial, operational, compliance and information technology controls) and risk management systems established and maintained by the Group, work performed by the internal and external auditors, information provided to the AC and the Board and reviews performed by the AC and the Board at least annually, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology controls as well as risk management systems are adequate and effective for FY2023.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC is chaired by Mr. Tan Cher Liang and comprises Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee. All the AC members, including the Chairman, are Independent Directors.

The members of the AC are appropriately qualified and possess the relevant accounting or related financial management expertise or experience to discharge their duties. None of the members of the AC is a former partner or director of the Company's existing auditing firm.

The AC holds at least two (2) meetings in each financial year. The principal role of the AC in accordance with its written terms of reference is as follows:

- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- reviewing with the internal and external auditors, the audit plans, scope of work, their evaluation of the Group's system of internal controls, audit reports, their letter(s) to the Management and the Management's responses and the results of the audits compiled by the internal and external auditors, and reviewing at regular intervals with the Management the implementation by the Group of the internal control recommendations made by the internal and external auditors;

- reviewing the periodic consolidated financial statements and any formal announcements relating to the Group's financial performance before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other relevant statutory or regulatory requirements, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of the Management, where necessary;

- reviewing the effectiveness and adequacy of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, discussing issues and concerns, if any, arising from the internal audits and reporting to the Board at least annually in connection therewith;

- reviewing and discussing with the external and/or internal auditors any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

- reviewing the adequacy and effectiveness of the Group's internal audit function;

- reviewing the assistance given by the Management to the internal and external auditors;

- review the assurance provided by the Group CEO and the Chief Financial Officer or equivalent regarding the financial records and financial statements;

- reviewing the independence and objectivity of the internal and/or external auditors at least annually, considering the appointment or re-appointment of the internal and external auditors and matters relating to the resignation or dismissal of the auditors, and approving the remuneration and terms of engagement of the internal and external auditors;

- reviewing interested person transactions (if any) falling within the scope of the Catalist Rules;

- reviewing the procedures by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC regarding possible improprieties in matters of financial reporting or other matters and ensuring that there are arrangements in place for independent investigation and follow-up actions thereto;

- undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters requiring the attention of the AC; and

- generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

In addition, the AC is tasked to commission independent investigations of any suspected fraud or irregularity, which has or is likely to have a material impact on the Group's operating results or financial position, and to review the findings of such investigations. The AC has reasonable resources to enable it to discharge its responsibilities properly. It has full access to, and the co-operation of, the Management and full discretion to invite any Director or key executive to attend its meetings.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with the Management and the external auditors have been included as Key Audit Matters ("**KAM**") in the audit report for FY2023 in pages 53 and 54 of this annual report.

In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of the estimates and key assumptions used. The AC concluded that the Management's accounting treatment and estimates in the KAM were appropriate.

The AC also meets with the internal auditors and external auditors without the Management, at least annually and whenever necessary to review the adequacy of audit arrangements, with emphasis on the scope and quality of audit and the independence and objectivity of the auditors.

The external auditors provide regular updates and briefings to the AC on changes to accounting standards and other financial issues to enable the AC to keep abreast of such changes and its corresponding impact on the financial statements.

External Auditors

The AC undertook a review of the independence and objectivity of the external auditors, taking into consideration the requirements under the Accountants Act 2004 (Singapore), including but not limited to, the aggregate and respective fees paid for audit and non-audit services and the cooperation extended by Management to allow an effective audit.

The AC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2023. A breakdown of the audit and non-audit fees paid to the Company's auditors is disclosed on page 123 of this annual report. The non-audit fees paid to the Company's auditors were in relation to tax services and other assurance services.

Having undertaken a review of the non-audit services provided during the year, the AC remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services which they provide to the Group. Moreover, the AC is satisfied that these services were provided efficiently by the external auditors as a result of their existing knowledge of the business. The AC is satisfied that the Company has complied with the requirements of Rules 712 and 715 of the Catalist Rules in relation to the appointment of its auditors for FY2023.

As part of the periodic review of the appointment and re-appointment of external auditors, the Board and the AC are of the view that a change in auditors would be in the interest of the Company to benefit from a change in perspectives and for cost savings reasons. Accordingly, Deloitte & Touche LLP will not be seeking re-appointment as the external auditors of the Company at the forthcoming AGM. Shareholders' approval for the proposed appointment of Foo Kon Tan LLP as the external auditors of the Company will be sought at the forthcoming AGM. Please refer to the section entitled "Notice of AGM" of this annual report for more details.

Internal Audit

The AC approves the hiring, removal, evaluation and compensation of the internal auditor ("**IA**"). The internal audit function of the Company is outsourced to KPMG Services Pte Ltd ("**KPMG**"). The IA reviews the effectiveness of key internal controls, including financial, operational, information technology, risk management and compliance controls for selected scope of review annually, as approved by the AC. Procedures are in place for the IA to report independently on their findings and recommendations to the AC for review. The IA reports primarily to the Chairman of the AC and has full access to the Company's documents, records, properties and personnel of the Group, including access to the AC.

The primary functions of internal audit are to help:

(a) assess if adequate systems of internal controls are in place to protect the assets of the Group and to ascertain whether control procedures are complied with;

(b) assess if operations of the business processes under review are conducted efficiently and effectively; and

(c) identify and recommend improvement to internal control procedures, where required.

The AC reviews the adequacy and effectiveness of the internal audit function of the Group annually. The AC is satisfied that the IA has adequate resources to perform its function effectively and is independent of the business and activities it audits. The IA is led by a KPMG partner who has more than 20 years of audit experience and the team is staffed by suitably qualified and experienced professionals with the relevant qualifications and experience.

The Company's internal audit function is independent of the external audit. KPMG is a member of the Institute of Internal Auditors Singapore ("**IIA**"), a professional internal auditing body affiliated to the Institute of Internal Auditors, Inc. The internal audit work carried out is guided by KPMG's global internal auditing standards and the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the IIA. KPMG continues to meet or exceed the IIA Standards in all key aspects. KPMG has confirmed their independence to the AC.

During the year, the IA adopted a risk-based audit approach that focused on material internal controls, including financial, operational, compliance and information technology controls. All internal audit reports are submitted to the AC for deliberation with copies of these reports extended to the Chairman, Group CEO, Executive Directors, Non-Executive Director and the relevant key management personnel.

The AC has reviewed the Company's internal control assessment and based on the internal auditors' and external auditors' reports and the internal controls in place, it is satisfied that there are adequate and effective internal controls to meet the needs of the Group in its current business environment. The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

<u>Whistle-blowing Policy</u>

The Company has implemented a whistle-blowing policy, which provides the Group's employees and any other persons with well-defined and accessible channels through which they may, in confidence, raise concerns about possible improprieties in matters of financial reporting, malpractices, misconduct or other matters relating to the Group or its officers. Whistle-blowing concerns may be reported in person or in writing via electronic mail to the Chairman of the AC.

The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle-blowers. Anonymous disclosures will be accepted and anonymity honoured as the Group remains committed to ensure protection of whistle-blowers against detrimental or unfair treatment.

The AC is responsible for oversight and monitoring of the whistle-blowing policy. The AC reviews such policy to ensure that arrangements are in place for independent investigation of such matters and for appropriate follow-up action.

CORPORATE GOVERNANCE REPORT

4. SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board supports and encourages active Shareholder participation at Shareholders' meetings. Shareholders are informed of Shareholders' meetings through notices published in the newspapers, reports and/or circulars provided to all Shareholders in a timely manner. Each item of special business included in the notices of Shareholders' meetings is accompanied, where appropriate, by an explanation for the proposed resolution. The Company will strive to avoid scheduling meetings during peak period when the meetings may coincide with those of other companies to enhance Shareholder participation in Shareholders' meetings.

Shareholders are entitled to attend general meetings and are accorded the opportunity to participate effectively in and vote at general meetings (including through the appointment of up to two proxies, if they are unable to attend in person or in the case of a corporate shareholder, through its appointed representative). Shareholders are also informed of the rules, including how to submit questions related to the resolutions table at the general meetings to the Company and the voting procedures that govern general meetings.

Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions are done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved. All resolutions are to be voted by poll, following which the detailed results showing, *inter alia*, the number of votes cast for and against each resolution and the respective percentages will be announced.

Voting in absentia by mail, electronic mail or fax may only be possible following careful study to ensure the integrity of the information and authentication of the identity of members is not compromised.

The Independent Chairman, the Group CEO and chairpersons of the AC, the NC, the RC, and the IC will be available at Shareholders' meetings to answer queries. The external auditors will also be present at the AGM to assist the Directors in addressing any relevant queries by Shareholders regarding the conduct of audit and the preparation and content of the auditors' report. The AGM is the principal forum for dialogue with Shareholders. All of the Directors attended the AGM in FY2022.

The Board is mindful of the obligation to provide regular, effective and fair communication with Shareholders. Information is communicated to Shareholders on a timely basis. The Company does not practise selective disclosure. Information will be publicly released via SGXNET and/or the Company's corporate website before the Company meets with any group of investors or analysts. The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules, and are also made available to the public via the Company's website. The Company shall publish the minutes of the AGM on SGXNET and the Company's website within one (1) month after the date of the AGM.

The Company currently does not have a fixed dividend policy. Any declaration and payment of dividends will depend on, *inter alia*, the Group's operating results, financial conditions, cash flows, expected future earnings, capital expenditure programme(s) and investment plans, the terms of the borrowing arrangements (if any) and other factors deemed relevant by the Directors. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future. The Company will, in line with Rule 704(23) of the Catalist Rules, expressly disclose the reason(s) in the event that the Board decides not to declare or recommend a dividend, in its financial statement announcements.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. The investor relations policy sets out the mechanism through which Shareholders may contact the Company with questions and through which the Company may respond to such questions.

The Board welcomes the views of Shareholders on matters affecting the Group, whether at Shareholders' meetings or on an ad-hoc basis. The Board will also engage in investor relations activities to allow the Company to engage Shareholders as and when it deems necessary and appropriate.

The Company's investor relations team is led by the Group Senior Financial Controller who is responsible for integrating finance, accounting, corporate communications, and legal compliance to enable effective communication between the Company and investors. The Company holds briefings to present its financial results for the media and analysts, when requested. Outside of the financial announcement periods, when necessary and appropriate, the Management will meet investors and analysts who wish to seek a better understanding of the Group's business and operations. This also enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company on investors' views. When opportunities arise, the Company conducts media interviews to give its Shareholders and the public a better perspective of the Group's business, operations and prospects. The investor relations team can be contacted through the Company's corporate website at www.jumbogroup.sg. The investor relations team has procedures in place for responding to queries from Shareholders on a timely basis.

5. MANAGING STAKEHOLDER RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced, when compared to the needs and interests of its stakeholders. Stakeholders of the Company include but are not limited to its customers, employees, suppliers, investors, shareholders, and regulators.

The Company has regularly engaged its stakeholders through various channels to ensure that the business interests of the Company are aligned with those stakeholders. Pertinent information is regularly conveyed to the stakeholders through SGXNET. Details of the stakeholders engaged by the Company can be found in the Company's Sustainability Report which will be released by 31 January 2024. The Sustainability Report will share information on the Company's sustainability governance structure, stakeholder engagement as well as materiality processes and results.

The Company also maintains a corporate website at www.jumbogroup.sg to communicate and engage with stakeholders.

INVESTMENT COMMITTEE

The IC is chaired by Dr. Lim Boh Soon and comprises Mr. Tan Cher Liang, Mr. Richard Tan Kheng Swee and Mr. Ang Kiam Meng. Save for Mr. Ang Kiam Meng, who is the Group CEO and Executive Director, the rest of the IC are Independent Directors. The principal role of the IC is to set overall investment guidelines for the Group and to assess, review and recommend investment opportunities. The IC held one (1) meeting in FY2023.

DEALINGS IN SECURITIES

(Rule 1204(19) of the Catalist Rules)

The Company has adopted an internal compliance code on dealings in the Company's securities, pursuant to Rule 1204(19) of the Catalist Rules, which all Directors and officers of the Group have been notified of. The Company, all Directors and officers of the Group are prohibited from dealing in the Company's securities during the period commencing one (1) month before the announcement of its half-year and full-year financial results.

All Directors and officers of the Group are expected to observe insider trading laws at all times. In particular, they are aware that dealing in the Company's securities, when they are in possession of unpublished material price-sensitive information in relation to those securities, is an offence. The Directors and officers of the Group are also discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

(Rules 907 and 1204(17) of the Catalist Rules)

The Group has adopted an internal policy in respect of any transaction with an interested party within the definition set out in Chapter 9 of the Catalist Rules and has in place procedures for review and approval of all interested person transactions. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, abstain from decision-making, and refrain from exercising any influence over other members of the Board.

The Group does not have a general mandate for interested person transactions. There were no interested person transactions of $100,000 or more in FY2023.

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and the transactions will not be prejudicial to the interest of the Group and its minority Shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the AC review, on a half yearly basis, interested person transactions entered into by the Group (if any).

MATERIAL CONTRACTS
(Rule 1204(8) of the Catalist Rules)

Save for the service agreements between the Company and the Executive Directors, disclosures in the section entitled "Directors' Statement" of this annual report and the Financial Statements of the Group, there were no other material contracts of the Company and its subsidiaries involving the interests of the Group CEO, any Director or controlling Shareholder which is either subsisting at the end of FY2023 or, if not then subsisting, entered into since the end of FY2023.

NON-SPONSOR FEES
(Rule 1204(21) of the Catalist Rules)

There were no non-sponsor fees paid to the Company's sponsor, United Overseas Bank Limited, in FY2023.

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2023.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 57 to 125 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2023, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Tan Cher Liang
Ang Kiam Meng
Tan Yong Chuan, Jacqueline
Christina Ang Chwee Huan
Richard Tan Kheng Swee
Lim Boh Soon
Sim Yu Juan Rachel

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the performance share plan mentioned in paragraph 4 of the Directors' Statement.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 except as follows:

Name of directors and companies in which interests are held	Shareholdings registered in the name of directors At beginning of year	At end of year
Jumbo Group Limited (Ordinary shares)		
Ang Kiam Meng	10,223,863	10,223,863
Tan Yong Chuan, Jacqueline	3,006,352	3,006,352
Christina Ang Chwee Huan	2,512,942	2,512,942
Sim Yu Juan Rachel	200,000	200,000

The directors' interests in the shares and options of the Company at 21 October 2023 were the same at 30 September 2023.

4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any other corporation in the Group were granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any other corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company or any other corporation in the Group under option.

4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN (cont'd)

Performance Share Plan

The Performance Share Plan, adopted by the Company at an extraordinary general meeting of the Company held on 19 October 2015, was implemented to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate eligible participants to achieve increased performance, and further strengthen the Company's competitiveness in attracting and retaining talent.

The proposed participation by the Company and grant of share awards ("**Awards**") to Mr. Ang Kiam Meng under the Performance Share Plan was approved by shareholders at an EGM held on 26 January 2017.

On 23 February 2017, the Company granted Awards comprising up to 500,000 shares to Mr. Ang Kiam Meng under the Performance Share Plan.

Name of participant	Number of shares comprised in Awards under the Performance Share Plan: Aggregate granted during the financial year ended 30 September 2023	Aggregate granted since commencement of the Performance Share Plan to 30 September 2023	Aggregate issued and/or transferred pursuant to the vesting of Awards since commencement of the Performance Share Plan to 30 September 2023	Aggregate not released as at 30 September 2023
Ang Kiam Meng[(1)]	–	500,000	500,000[(2)]	–

(1) The Awards were granted to Mr. Ang Kiam Meng on 23 February 2017 with a vesting period of (a) within 2 months from 26 January 2017 for up to 150,000 shares; and (b) within 2 months from the date of issuance of the Group's audited financial statements for the financial year ended 30 September 2017 for up to 350,000 shares. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

(2) 150,000 and 350,000 shares were allotted and issued to Mr. Ang Kiam Meng on 23 March 2017 and 28 February 2018 respectively, pursuant to the vesting of the Awards.

Awards were granted also to associates of controlling shareholders and other employees of the Company and are disclosed in Note 25 of the notes of the financial statements. Save as disclosed above, there were no Awards granted to directors or controlling shareholders of the Company, from the commencement of the Performance Share Plan to the end of the financial year. In addition, no individual has been granted 5.0% or more of the total number of shares to be comprised in Awards available under the Performance Share Plan, from the commencement of the Performance Share Plan to the end of the financial year.

5 AUDIT COMMITTEE

The Audit Committee of the Company, consisting all independent and non-executive directors, is chaired by Mr Tan Cher Liang, and includes Mr Richard Tan Kheng Swee and Dr Lim Boh Soon. The Audit Committee has met four times since the last AGM and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) The audit plans, scope of work, evaluation of the adequacy of the internal controls, audit reports, management letters on internal controls and management response;

(b) The adequacy and effectiveness of the Group's internal controls addressing financial, operational, compliance and information technology risks prior to the incorporation of such results in the annual report;

(c) The statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;

(d) The half-year and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;

(e) The co-operation and assistance given by the management to the Group's external auditors;

(f) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and

(g) The re-appointment of the external and internal auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

ON BEHALF OF THE DIRECTORS

Tan Cher Liang

Ang Kiam Meng

4 January 2024

To the members of Jumbo Group Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Jumbo Group Limited (the "**Company**") and its subsidiaries (the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 57 to 125.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("**the Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (cont'd)

Key Audit Matter	How the matter was addressed in the audit
Impairment of property, plant and equipment and right-of-use assets of non-performing outlets At 30 September 2023, the carrying value of the Group's property, plant and equipment and right-of-use assets were $26,661,000 and $23,967,000 respectively, which represent 20% and 18% of the Group's total assets respectively. The Group operates outlets in Singapore, China and Taiwan. The Group has certain restaurant outlets that incurred losses during the financial year ended 30 September 2023. Management performed impairment assessment on the property, plant and equipment and right-of-use assets of these outlets. Management determined the recoverable amounts of the property, plant and equipment and right-of-use assets of these outlets based on value-in-use calculations and recorded an impairment loss of $410,000. This area was significant to our audit because the impairment assessment involved significant management judgement and required the management to make various assumptions including the revenue growth rates and discount rates used in the underlying discounted cash flow forecasts. The Group's disclosure on property, plant and equipment and right-of-use assets is set out in Notes 3(c), 16 and 17 to the financial statements respectively.	We performed procedures to evaluate the design and implementation of the relevant controls management has over the impairment review analysis. We involved our valuation specialist to assess the valuation method used by the management and evaluated the key assumptions used in the impairment assessment, in particular the revenue growth rates and discount rates. We tested the robustness of management's budgeting process by comparing the actual financial performance against previously forecasted results. We compared the revenue growth rates of the non-performing outlets to the recent performance and market expectations. We also reviewed management's sensitivity analysis of the carrying amounts of property, plant and equipment and right-of-use assets to changes in certain key assumptions such as revenue growth rates and discount rates. Based on the outcome of the impairment assessment, the recoverable amounts of the property, plant and equipment and right-of-use assets of certain loss-making outlets based on value-in-use calculations were lower than the carrying amounts as at the end of the reporting period and the shortfall was recorded as impairment loss in profit or loss. In addition, we assessed the adequacy of the disclosures on the property, plant and equipment and right-of-use assets in Notes 3(c), 16 and 17 to the financial statements respectively.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair view financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr Ng Meng Chuan.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

4 January 2024

		Group		Company	
	Note	**2023**	**2022**	**2023**	**2022**
		$'000	**$'000**	**$'000**	**$'000**
ASSETS					
Current assets					
Cash and cash equivalents	6	33,659	17,014	427	8
Trade and other receivables	7(a)	10,179	11,719	8	12
Dividend receivables from subsidiary	7(b)	–	–	15,000	–
Short-term investments	8	25,608	18,013	6,829	4,662
Inventories	9	2,924	2,730	–	–
Total current assets		72,370	49,476	22,264	4,682
Non-current assets					
Due from subsidiaries	7(b)	–	–	36,703	41,053
Investments in subsidiaries	10	–	–	5,424	5,424
Investments in associates	11	756	754	–	–
Other investments	12	250	250	–	–
Investments at fair value through profit or loss ("**FVTPL**")	13	1,910	1,881	–	–
Goodwill	14	3,361	3,405	–	–
Intangible assets	15	908	447	–	–
Right-of-use assets	16	23,967	24,597	–	–
Property, plant and equipment	17	26,661	22,882	–	–
Club memberships	18	238	238	–	–
Deferred tax assets	19	1,275	3,181	–	–
Total non-current assets		59,326	57,635	42,127	46,477
Total assets		131,696	107,111	64,391	51,159

See accompanying notes to financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2023

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	20	22,780	13,640	271	290
Provision for reinstatement costs	21	3,738	3,741	–	–
Lease liabilities	22	11,235	10,517	–	–
Bank borrowings	23	5,158	4,833	999	980
Income tax payable		2,049	23	–	–
Total current liabilities		44,960	32,754	1,270	1,270
Non-current liabilities					
Lease liabilities	22	14,684	15,756	–	–
Bank borrowings	23	11,985	11,869	2,061	3,060
Deferred tax liabilities	19	94	–	–	–
Total non-current liabilities		26,763	27,625	2,061	3,060
Capital, reserves and non-controlling interests					
Share capital	24	49,436	49,436	49,436	49,436
Treasury shares	25	(732)	(439)	(732)	(439)
Currency translation reserve		(544)	207	–	–
Merger reserve	26	(2,828)	(2,828)	–	–
Retained earnings (accumulated losses)		12,744	(1,861)	12,356	(2,168)
Equity attributable to owners of the Company		58,076	44,515	61,060	46,829
Non-controlling interests	10	1,897	2,217	–	–
Total equity		59,973	46,732	61,060	46,829
Total liabilities and equity		131,696	107,111	64,391	51,159

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 September 2023

	Note	Group 2023 $'000	Group 2022 $'000
Revenue	27	178,756	115,560
Raw materials and consumables used		(61,516)	(40,139)
Changes in inventories		(194)	(441)
Other income	28	4,989	2,218
Employee benefits expense		(56,362)	(36,886)
Operating lease expenses	32	(4,485)	(3,010)
Utilities expenses		(5,099)	(3,867)
Depreciation and amortisation expense:			
- Property, plant and equipment	17	(5,634)	(5,849)
- Right-of-use assets	16	(12,077)	(11,822)
- Intangible assets	15	(26)	(21)
Interest expense:			
- Leases		(1,001)	(961)
- Bank borrowings		(450)	(375)
Impairment loss (recognised) reversal on:			
- Property, plant and equipment	17	–	168
- Right-of-use assets	16	(410)	–
Other operating expenses	29	(18,076)	(14,231)
Share of results of associates		2	19
Profit before income tax		18,417	363
Income tax expense	30	(4,195)	(699)
Profit (Loss) for the year	32	14,222	(336)
Other comprehensive (loss) income:			
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		(518)	33
Other comprehensive (loss) income for the year, net of tax		(518)	33
Total comprehensive income (loss) for the year		13,704	(303)
Profit (Loss) attributable to:			
Owners of the Company		14,605	(91)
Non-controlling interests		(383)	(245)
		14,222	(336)
Total comprehensive income (loss) attributable to:			
Owners of the Company		13,854	(58)
Non-controlling interests		(150)	(245)
		13,704	(303)
Basic and diluted earnings (loss) per share (cents)	34	2.3	–*

*: Less than (0.1) cents

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 30 September 2023

	Share capital	Treasury shares	Currency translation reserve	Merger reserve	(Accumulated losses) Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
Balance at 1 October 2021	49,436	(405)	174	(2,828)	(1,770)	44,607	2,462	47,069
Total comprehensive loss for the year:								
Loss for the year	–	–	–	–	(91)	(91)	(245)	(336)
Other comprehensive income for the year	–	–	33	–	–	33	–	33
Transactions with owners, recognised directly in equity:								
Repurchase of shares (Note 25)	–	(34)	–	–	–	(34)	–	(34)
Balance at 30 September 2022	49,436	(439)	207	(2,828)	(1,861)	44,515	2,217	46,732
Total comprehensive income for the year:								
Profit (Loss) for the year	–	–	–	–	14,605	14,605	(383)	14,222
Other comprehensive (loss) income for the year	–	–	(751)	–	–	(751)	233	(518)
Transactions with owners, recognised directly in equity:								
Repurchase of shares (Note 25)	–	(293)	–	–	–	(293)	–	(293)
Dividend declared to non-controlling interests	–	–	–	–	–	–	(170)	(170)
Balance at 30 September 2023	49,436	(732)	(544)	(2,828)	12,744	58,076	1,897	59,973

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY
Year ended 30 September 2023

	Share capital	Treasury shares	(Accumulated losses) Retained earnings	Total
	$'000	$'000	$'000	$'000
Company				
Balance at 1 October 2021	49,436	(405)	(1,259)	47,772
Loss for the year, representing total comprehensive loss for the year	–	–	(909)	(909)
Transactions with owners, recognised directly in equity:				
Repurchase of shares (Note 25)	–	(34)	–	(34)
Balance at 30 September 2022	49,436	(439)	(2,168)	46,829
Profit for the year, representing total comprehensive income for the year	–	–	14,524	14,524
Transactions with owners, recognised directly in equity:				
Repurchase of shares (Note 25)	–	(293)	–	(293)
Balance at 30 September 2023	49,436	(732)	12,356	61,060

See accompanying notes to financial statements.

	Group 2023 $'000	Group 2022 $'000
Operating activities		
Profit before income tax	18,417	363
Adjustments for:		
Depreciation of property, plant and equipment	5,634	5,849
Depreciation of right-of-use assets	12,077	11,822
Amortisation of intangible assets	26	21
Impairment loss on right-of-use assets	410	–
Write back of impairment loss on property, plant and equipment	–	(168)
Interest expense: leases	1,001	961
Interest expense: bank borrowings	450	375
Interest income	(564)	(239)
Write-back of reinstatement costs	(302)	(79)
Loss on disposal of property, plant and equipment	477	1,249
Loss on disposal of investments	–	10
Fair value (gain) loss on investments at fair value through profit or loss	(29)	748
Fair value (gain) loss on short-term investments	(240)	754
Rental rebate and concessions	(3)	(1,934)
Gain on termination of lease	(26)	–
Share of results of associates	(2)	(19)
Operating cash flows before movements in working capital	37,326	19,713
Trade and other receivables	1,045	(184)
Inventories	(194)	(441)
Trade and other payables	9,040	2,628
Cash generated from operations	47,217	21,716
Interest income received	564	239
Interest paid	(1,451)	(1,336)
Tax paid	(169)	(89)
Net cash from operating activities	46,161	20,530

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended 30 September 2023

	Group 2023 $'000	Group 2022 $'000
Investing activities		
Acquisition of property, plant and equipment [Note (a)]	(9,967)	(5,782)
Acquisition of short-term investment	(7,355)	(9,930)
Proceeds from disposal of property, plant and equipment	74	223
Proceeds from disposal of investments	–	75
Reinstatement cost paid	(7)	(16)
Net cash used in investing activities	(17,255)	(15,430)
Financing activities		
Repayment of bank borrowings	(3,959)	(3,647)
Repayment of lease obligations	(13,023)	(9,839)
Proceeds from bank borrowings	4,400	5,000
Purchase of treasury shares	(293)	(34)
Dividend paid to non-controlling interest	(70)	–
Net cash used in financing activities	(12,945)	(8,520)
Net increase (decrease) in cash and cash equivalents	15,961	(3,420)
Cash and cash equivalents at beginning of the year	17,014	20,462
Effect of foreign exchange rate changes	684	(28)
Cash and cash equivalents at end of the year (Note 6)	33,659	17,014

Note (a):

Addition of property, plant and equipment	(10,317)	(6,106)
Add non-cash movement:		
Provision for reinstatement costs	350	324
	(9,967)	(5,782)

See accompanying notes to financial statements.

1 GENERAL

The Company (Registration No. 201503401Z) 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 consolidated financial statements are expressed in Singapore dollars.

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

The principal activities of the subsidiaries and associates are disclosed in Notes 10 and 11 to the financial statements respectively.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 30 September 2023 were authorised for issue by the Board of Directors on 4 January 2024.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance on the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("**SFRS(I)s**").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value-in-use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

ADOPTION OF NEW AND REVISED STANDARDS – On 1 October 2022, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/ revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

BASIS OF COMBINATION - In 2015, the financial statements incorporated the financial statements of the Company and its subsidiaries and had been prepared using the principles of merger accounting and on the assumption that the re-organisation of entities controlled by the same shareholders collectively had been effected as at the beginning of the earliest period presented in these financial statements.

Under merger accounting, the assets, liabilities, revenue, expenses and cash flows and all the entities within the Group are combined after making such adjustments as are necessary to achieve consistency of accounting policies. This manner of presentation reflects the economic enterprise, although the legal parent-subsidiary relationship between the Company and the subsidiaries was not established until 9 November 2015.

Where necessary, adjustments are made to the financial statements of the Group entities to bring their accounting policies in line with those used by other members of the Group.

All significant intercompany transactions and balances between Group enterprises are eliminated on combination.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interest of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring its accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

In the Company's separate financial statements, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

<u>Classification of financial assets</u>

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO
FINANCIAL STATEMENTS
As at 30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

<u>Classification of financial assets</u> (cont'd)

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

<u>Amortised cost and effective interest method</u>

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Debt instruments classified as at FVTOCI

Fair value is determined in the manner described in note 4(c)(vi) to financial statements. These debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other income" line item (Note 28). Fair value is determined in the manner described in Note 4(c)(vi).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at the end of each reporting period. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other operating expenses" line item;

- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the "other income" or "other operating expenses" line item; and

- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other operating expenses" line item.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("**ECL**") on investments in debt instruments that are measured at FVTOCI. The amount of expected credit losses is updated at the end of each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial assets, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If the credit risk on the financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial asset. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial asset that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor; and

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Significant increase in credit risk (cont'd)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group) as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower; or

b) a breach of contract, such as a default or past due event; or

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

NOTES TO
FINANCIAL STATEMENTS
As at 30 September 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derecognition of financial assets (cont'd)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Trade and other payables

Trade and other payables are measured subsequently at amortised cost, using the effective interest method, except for short-term balances when the recognition of interest would be immaterial.

Bank borrowings

Interest-bearing bank borrowings are measured subsequently at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "other income" or "other operating expenses" line item in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

LEASES

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

LEASES (cont'd)

The Group as lessee (cont'd)

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'operating lease expenses' in the statement of profit or loss and other comprehensive income.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

LEASES (cont'd)

The Group as lessee (cont'd)

The Group had applied the practical expedient which permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification and accordingly has accounted for any change in lease payments resulting from the COVID-19-related rent concessions applying SFRS(I) 16 as if the change were not a lease modification.

INVENTORIES - Inventories comprising mainly food and beverages are stated at the lower of cost and net realisable value. Cost comprises all cost of purchase and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold property is not depreciated.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, other than plant and equipment under work in progress, using the straight-line method, on the following bases:

Audio, visual and office equipment	-	3 to 10 years
Kitchen equipment and utensils	-	3 to 10 years
Furniture and fittings	-	3 to 10 years
Renovation	-	3 to 10 years
Leasehold industrial properties	-	44 to 50 years
Motor vehicles	-	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Work in progress relates to kitchen equipment and renovation. Depreciation of these assets commences when the assets are ready for intended use.

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

GOODWILL - Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the acquiree over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

INTANGIBLE ASSETS – Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets with finite useful lives (franchise rights) are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed as at each reporting date, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives (trademark) that are acquired separately are carried at cost less accumulated impairment losses and is reviewed for impairment at least annually, or more frequently when there is an indication that the asset may be impaired.

Amortisation is charged so as to write off the cost of assets over their estimated useful life of 10 years using the straight-line method.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

IMPAIRMENT OF NON-FINANCIAL ASSETS EXCLUDING GOODWILL - At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated determine the extent of the impairment loss (if any). Where the asset does not generate cash flows independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Recoverable amount is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

ASSOCIATES - An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 as a single asset by comparing its recoverable amount (higher of value-in-use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate is disposed of.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

<u>Provision for reinstatement costs</u>

The Group recognises a liability if the Group has a present legal or constructive obligation to reinstate the leased premises to their original state upon expiry of the lease. The provision is made based on management's best estimate of the expected costs to be incurred to reinstate the leased premises to their original state.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

SHARE-BASED PAYMENTS - The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

TREASURY SHARES - The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION - Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer and excludes amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to a customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

<u>Sale of food and beverages</u>

Revenue from the sale of food and beverages is recognised at a point in time which is usually upon the delivery of goods to customers.

<u>Franchise and royalty income</u>

Initial franchise income is recognised at the point in time upon the grant of rights, completion of the designated phases of the franchise setup and transfer of know-how to the franchisee in accordance with the terms stated in the franchise agreement. Royalty income is recognised over time as a percentage of the franchisees' revenue in accordance with terms as stated in the franchise agreement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Management fees

Revenue from management contracts is recognised over the management period when the services are rendered.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Sponsorship income

Sponsorship income from suppliers is recognised when the rights to receive payment have been established.

BORROWING COSTS - Borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

CLUB MEMBERSHIP - This comprises of investment in club membership which is stated at cost less any impairment in net recoverable value that has been recognised in profit or loss.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS - The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the Group's entities, transactions in currencies other than the entity's functional currency (foreign currency) are recorded at the rate of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at each reporting date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in a foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

MERGER RESERVE - Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which it was acquired by the Company and the amount of the share capital issued as consideration for the acquisition.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash at bank and on hand and deposits, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's accounting policies, which are described in Note 2, management is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

Apart from those involving estimates, management is of the opinion that any instance of application of judgement is not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating unit to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. No impairment loss was recognised during the financial year. The carrying amount of goodwill at the end of the reporting period is set out in Note 14 to the financial statements.

(b) Impairment of investment in subsidiaries

Investment in subsidiaries are stated at cost less any impairment loss. The Company follows the guidance of SFRS(I) 1-36 *Impairment of Assets* to determine when its investment in subsidiaries are impaired. The Company evaluates, among other factors, the market and economic environment in which the subsidiaries operate and the financial performance of the subsidiaries to determine whether there are indications of impairment loss and if so, whether the cost of investment in the subsidiaries exceed the higher of the value-in-use of the underlying net assets of the subsidiaries or fair value of investment less cost of disposal.

The carrying amount of the investment in subsidiaries are set out in Note 10 to the financial statements.

(c) Impairment of property, plant and equipment and right-of-use assets of non-performing outlets

The Group has certain outlets that incurred losses during the financial year ended 30 September 2023 and 2022. Management performed impairment assessment on the property, plant and equipment and right-of-use assets of these outlets based on value-in-use calculations.

The recoverable amount of the relevant assets of the non-performing outlets has been determined on the basis of their value-in-use.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

(c) Impairment of property, plant and equipment and right-of-use assets of non-performing outlets (cont'd)

The key assumptions used for value-in-use calculations for property, plant and equipment and right-of-use assets of these outlets are as follows:

	2023	2022
	PRC	**PRC**
Average revenue growth rate	14.3%	15.0%
Discount rate	15.0%	14.0%

The above assumptions were used for the analysis of the non-performing outlets.

Based on the assessment, an impairment loss of $410,000 (2022 : $Nil) is recognised in profit or loss during the financial year ended 30 September 2023 for the non-performing outlets in the People's Republic of China ("**PRC**"). A reversal of impairment loss of $168,000 was recognised during the financial year ended 30 September 2022 due to the improvement in the results of an outlet in Singapore.

Management has performed certain sensitivity analysis on the value-in-use calculations to assess the impact of any reasonably possible change to the key assumptions applied.

For the current year's analysis, assuming all other variables are held constant, a reasonably possible unfavourable change of 5% of the annual revenue growth rates would not cause the estimated recoverable amount to become materially lower than carrying amount.

Apart from the above, management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the remaining property, plant and equipment and right-of-use assets.

For the prior year's analysis, management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the property, plant and equipment and right-of-use assets.

The carrying amount of the right-of-use assets and property, plant and equipment are set out in Notes 16 and 17 to the financial statements respectively.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

(d) Loss allowance for trade and other receivables

Management assesses at the end of the reporting period the expected credit losses ("**ECL**") required for its trade and other receivables and amounts due from subsidiaries. When measuring ECL, management uses reasonable and supportable forward-looking information, including taking into consideration the past collection history, financial information and future business plans of the associates.

The carrying amount of trade and other receivables and amounts due from subsidiaries at the end of the reporting period are set out in Notes 7(a) and 7(b) to the financial statements respectively.

(e) Deferred tax assets

Deferred tax assets are recognised for the carryforward of unused tax losses, unused tax credits and temporary differences to the extent that it is probable that taxable profit will be available in the foreseeable future. In making this judgment, management takes into consideration factors such as the likely timing of utilisation and level of future taxable profits together with the long-term business strategy and tax planning opportunities. The carrying amount of deferred tax assets at the end of the reporting period is set out in Note 19 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group	
	2023	**2022**
	$'000	**$'000**
Financial assets		
Financial assets at amortised cost	43,114	26,626
Financial assets at FVTOCI:		
Debt instruments designated as at FVTOCI	250	250
Financial assets measured at FVTPL	27,518	19,894
Financial liabilities		
Financial liabilities at amortised cost	37,574	26,787
Lease liabilities	25,919	26,273

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(a) Categories of financial instruments (cont'd)

	Company	
	2023	**2022**
	$'000	**$'000**
Financial assets		
Financial assets at amortised cost	52,130	41,061
Financial assets measured at FVTPL	6,829	4,662
Financial liabilities		
Financial liabilities at amortised cost	3,331	4,330

(b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar arrangements

The Group and the Company do not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar agreements.

(c) Financial risk management policies and objectives

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below:

(i) Foreign exchange risk management

The Group operates principally in Singapore and has operations in the PRC and Taiwan, giving rise to some exposures to market risk from changes in foreign exchange rates primarily with respect to Chinese Renminbi and New Taiwan Dollar. The Group relies on the natural hedges between such transactions.

The Group does not enter into any derivative contracts to hedge the foreign exchange risk. The Group's monetary assets and monetary liabilities are largely denominated in the respective Group entities' functional currencies.

As the Group's and Company's principal operations are predominately in Singapore, it is not significantly exposed to foreign exchange risk and thus foreign currency risk sensitivity analysis has not been disclosed.

NOTES TO
FINANCIAL STATEMENTS
As at 30 September 2023

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(ii) Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating rate. The risk is managed by the Group maintaining an appropriate mix between fixed and floating rate borrowings. Further details on the Group's lease liabilities and bank borrowings can be found in Notes 22 and 23 to the financial statements respectively.

The Group's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The sensitivity analysis below have been determined based on the exposure to interest rates for its floating-rate borrowings at the reporting date. For floating-rate borrowings, the analysis is prepared assuming the amount of borrowings outstanding at the reporting date was outstanding for the whole year.

If the interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's profit before tax ended 30 September 2023 would decrease/increase by $52,000 (2022 : $9,000).

The Group's sensitivity to interest rates has increased during the current year mainly due to an increase in floating rate debt instruments.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk is primarily attributable to its cash and bank balances and trade and other receivables. Liquid funds are placed with financial institutions with high credit ratings. The credit risk with respect to the trade receivables is limited as the Group's revenue are generated mainly from cash and credit card sales. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant apart from receivables due from an associate.

Other than the receivables from the associates (Note 7), the Group has no significant concentration of credit risk. Trade receivables are spread over a broad base of customers.

The Company is exposed to a concentration of credit risk as 100% (2022 : 100%) of its receivables are due from subsidiaries, Jumbo Group of Restaurants Pte Ltd and Jumbo F&B Services Pte Ltd. These subsidiaries have been assessed to be creditworthy and management has assessed that no allowance for doubtful receivables is required.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

The carrying amount of financial assets recorded in the financial statements represents the Group's and the Company's maximum exposure to credit risks.

The Group and Company develop and maintain its credit risk gradings to categorise according to their degree of risk of default. Management uses the Group's own trading records to rate its customers and other debtors.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

Further details of credit risk on trade and other receivables are disclosed in Note 7 to the financial statements. The tables below detail the credit quality of the Group's and Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$'000	$'000	$'000
Group						
2023						
Trade receivables - outside parties	7(a)	(i)	Lifetime ECL (simplified approach)	2,505	–	2,505
Other receivables - outside parties	7(a)	(ii)	12-month ECL	453	–	453
Trade receivables - associates	7(a)	(i)	Lifetime ECL (simplified approach)	257	–	257
Other receivables - associate	7(a)	(ii)	12-month ECL	2,342	–	2,342
Staff loans	7(a)	(ii)	12-month ECL	23	–	23
Refundable deposits	7(a)	(ii)	12-month ECL	3,875	–	3,875
					–	
Company						
2023						
Dividend receivables from subsidiary	7(b)	(ii)	12-month ECL	15,000	–	15,000
Due from subsidiaries	7(b)	(ii)	12-month ECL	36,703	–	36,703
					–	

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$'000	$'000	$'000
Group						
2022						
Trade receivables - outside parties	7(a)	(i)	Lifetime ECL (simplified approach)	1,365	–	1,365
Other receivables - outside parties	7(a)	(ii)	12-month ECL	402	–	402
Trade receivables - associates	7(a)	(i)	Lifetime ECL (simplified approach)	299	–	299
Other receivables - associate	7(a)	(ii)	Lifetime ECL (credit-impaired)	2,264	(2,264)	–
Other receivables - associate	7(a)	(ii)	12-month ECL	2,931	–	2,931
Staff loans	7(a)	(ii)	12-month ECL	11	–	11
Refundable deposits	7(a)	(ii)	12-month ECL	4,604	–	4,604
					(2,264)	
Company						
2022						
Due from subsidiaries	7(b)	(ii)	12-month ECL	41,053	–	41,053
					–	

(i) For trade related balances, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

(ii) For non-trade related balances, the Group has measured the loss allowance at an amount equal to 12-month ECL except for the receivables due from an associate as detailed in Note 7(a) to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

Details of management's evaluation of credit risk related to short-term investments, other investments at FVTOCI and investments at FVTPL are disclosed in Notes 8, 12 and 13 to the financial statements respectively.

(iv) Equity price risk management

The Group is exposed to equity risks arising from equity investments classified as short-term investments and investments at FVTPL.

Further details of the short-term investments, other investments at FVTOCI and investments at FVTPL are disclosed in Notes 8, 12 and 13 to the financial statements respectively.

Equity price sensitivity

If equity price has been 10% higher/lower, the Group's profit for the year ended 30 September 2023 would increase/decrease by $726,000 (2022 : loss for the year would decrease/increase by $704,000).

(v) Liquidity risk management

Liquidity risk refers to the risk that the Group may not be able to meet its obligations.

The Group maintains sufficient cash and bank balances and internally generated cash flows to finance its working capital requirements.

Group

All financial assets mature within 1 year from the end of the reporting period, except for other investments at FVTOCI and investments at FVTPL as disclosed in Notes 12 and 13 to the financial statements respectively.

Company

All financial assets are repayable on demand except for amounts due from subsidiaries as disclosed in Note 7.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(v) Liquidity risk management (cont'd)

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group and the company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$'000	$'000	$'000	$'000	$'000
Group						
2023						
Non-interest bearing	–	20,431	–	–	–	20,431
Lease liabilities (fixed rate)	5.57	11,990	14,542	916	(1,529)	25,919
Bank borrowings						
- Fixed rate	2.00	4,415	7,916	–	(357)	11,974
- Variable rate	4.16	1,157	1,182	5,693	(2,863)	5,169
		37,993	23,640	6,609	(4,749)	63,493
2022						
Non-interest bearing	–	10,085	–	–	–	10,085
Lease liabilities (fixed rate)	5.86	11,245	14,630	2,034	(1,636)	26,273
Bank borrowings						
- Fixed rate	2.00	4,110	12,330	–	(640)	15,800
- Variable rate	2.38	902	–	–	–	902
		26,342	26,960	2,034	(2,276)	53,060

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(v) Liquidity risk management (cont'd)

Non-derivative financial liabilities (cont'd)

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$'000	$'000	$'000	$'000	$'000
Company						
2023						
Non-interest bearing	–	271	–	–	–	271
Bank borrowings (fixed rate)	2.00	1,052	2,103	–	(95)	3,060
		1,323	2,103	–	(95)	3,331
2022						
Non-interest bearing	–	290	–	–	–	290
Bank borrowings (fixed rate)	2.00	1,052	3,155	–	(167)	4,040
		1,342	3,155	–	(167)	4,330

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

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).

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(vi) Fair value of financial assets and financial liabilities (cont'd)

Financial instruments measured at fair value

	Total $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Group				
Financial assets				
2023				
Other investments:				
- Debt instruments classified as at FVTOCI	250	250	–	–
FVTPL:				
- Structured deposits	20,262	–	20,262	–
- Unquoted equity investments	1,910	–	–	1,910
- Quoted equity shares	5,346	5,346	–	–
2022				
Other investments:				
- Debt instruments classified as at FVTOCI	250	250	–	–
FVTPL:				
- Structured deposits	12,853	–	12,853	–
- Unquoted equity investments	1,881	–	–	1,881
- Quoted equity shares	5,160	5,160	–	–
Company				
Financial assets				
2023				
FVTPL:				
- Structured deposits	2,021	–	2,021	–
- Quoted equity shares	4,808	4,808	–	–
2022				
FVTPL:				
- Quoted equity shares	4,662	4,662	–	–

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(vi) Fair value of financial assets and financial liabilities (cont'd)

Financial instruments measured at fair value (cont'd)

The Group determines fair values of various financial assets in the following manner:

Fair value of the Group's and Company's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each financial year. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value ($) 2023	Fair value ($) 2022	Fair value hierarchy	Valuation technique and key input	Significant unobservable input	Relationship of unobservable inputs to fair value
Group	Short-term investments (see Note 8 to the financial statements)					
Quoted equity shares	5,346	5,160	Level 1	Quoted bid prices in an active market	N/A	N/A
Structured deposits	20,262	12,853	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets	Pricing and yield curves provided by the banks	N/A
Group	Other investments (see Note 12 to the financial statements)					
Debt instruments	250	250	Level 1	Quoted bid prices in an active market	N/A	N/A
Group	Investments at fair value through profit or loss ("**FVTPL**") (see Note 13 to the financial statements)					
Equity investments at fair value through profit or loss	1,910	1,881	Level 3	Net asset value of the underlying unquoted equity shares invested by the fund manager	N/A	N/A
Company	Short-term investments (see Note 8 to the financial statements)					
Quoted equity shares	4,808	4,662	Level 1	Quoted bid prices in an active market	N/A	N/A
Structured deposits	2,021	–	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets	Pricing and yield curves provided by the banks	N/A

There were no transfers between the levels of the fair value hierarchy during the financial year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Capital management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2022.

The capital structure of the Group consists of bank borrowings and equity attributable to owners of the Company, comprising issued capital, reserves and retained earnings.

5 HOLDING COMPANY, RELATED COMPANIES AND OTHER RELATED PARTY TRANSACTIONS

(a) Holding company and related companies transactions

Related companies in these financial statements refer to members of the Company's Group of companies.

The ultimate controlling party is JBO Holdings Pte Ltd, incorporated in Singapore which is substantially owned by Mr. Ang Hon Nam and his family members whose interest in the Company is held through their shareholdings in the ultimate controlling party and in the Company.

Some of the Company's transactions and arrangements are between members of the Group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free, expected to be settled in cash and repayable on demand unless otherwise stated.

(b) Other related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, expected to be settled in cash and repayable on demand unless otherwise stated.

During the year, significant transactions entered into by Group entities with related parties were as follow:

	Group	
	2023	2022
	$'000	$'000
Sales of food and beverage to associates	(1,304)	(1,461)
Management fees received from associates	(248)	(236)
Management fee paid to a related party	342	–
Royalty fees received from associates	–	(33)
Purchase of freehold property from directors of the ultimate controlling party	5,500	–

5 HOLDING COMPANY, RELATED COMPANIES AND OTHER RELATED PARTY TRANSACTIONS (cont'd)

(b) Other related party transactions (cont'd)

Remuneration of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follow:

	Group	
	2023	2022
	$'000	$'000
Short-term employee benefits	4,591	2,008
Post-employment benefits	81	68
Total compensation	4,672	2,076

6 CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Cash on hand	145	154	*	*
Cash at bank	33,514	16,860	427	8
Cash and cash equivalents in the statement of cash flows	33,659	17,014	427	8

* denotes less than a thousand.

7 (a) TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Trade receivables				
- outside parties	2,505	1,365	–	–
- associates	257	299	–	–
	2,762	1,664	–	–
Other receivables				
- outside parties	453	402	–	–
- associates	2,342	5,195	–	–
Less: loss allowance	–	(2,264)	–	–
	2,795	3,333	–	–
Government grant receivables	–	23	–	–
Staff loans	23	11	–	–
Refundable deposits	3,875	4,604	–	–
Prepayments	724	2,084	8	12
	10,179	11,719	8	12

As at 1 October 2021, trade receivables from contracts with customers amounted to $962,000.

The credit period ranges from 3 to 30 days (2022 : 3 to 30 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

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FINANCIAL STATEMENTS
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7 (a) TRADE AND OTHER RECEIVABLES (cont'd)

The expected credit loss rate is immaterial for trade receivables from third parties and associates in all days past due categories as management has assessed and concluded that the amounts are recoverable.

For purpose of impairment assessment, other receivables and refundable deposits are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current or prior reporting period in assessing the loss allowance for other receivables.

The following table shows the movement in the loss allowance for other receivables due from an associate.

	Lifetime ECL – credit-impaired financial assets at amortised cost
	$'000
Group	
Balance as at 1 October 2021 and 30 September 2022	2,264
Written off	(2,264)
Balance as at 30 September 2023	–

7 (b) DIVIDEND RECEIVABLES FROM SUBSIDAIRY / DUE FROM SUBSIDIARIES

Dividend receivables from subsidiary are unsecured, interest-free and repayable on demand.

Amount due from subsidiaries are unsecured, interest-free and repayable on demand and have been classified as non-current assets as the Company does not expect repayment within 12 months from the reporting date. Management is of the view the amounts due from subsidiaries approximate their fair values.

Management estimates the loss allowance on dividend receivables from subsidiary and amounts due from subsidiaries at an amount equal to 12-month ECL, taking into account the historical default experience, current financial conditions of the subsidiaries and the future prospects of the industry of each subsidiary. No loss allowance has been provided as management has assessed and concluded that the receivables are subject to immaterial credit loss.

8 SHORT-TERM INVESTMENTS

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Financial assets measured at FVTPL:				
Held for trading non-derivative financial assets				
- Structured deposits	20,262	12,853	2,021	–
- Quoted equity shares	5,346	5,160	4,808	4,662
	25,608	18,013	6,829	4,662

The Group placed structured deposits amounting to $20,262,000 (2022 : $12,853,000) with various financial institutions. The structured deposits are redeemable from 1 day to 3 months (2022: 1 day to 3 months) from the date of placement based on the redemption values quoted by the financial institutions with reference to the expected return of the underlying assets. The management has not identified any potential significant financial risk exposure.

Investments in quoted equity securities offer the Group and the Company the opportunity for return through dividend income and fair value gains. The fair values of these securities are based on the quoted closing market prices on the last market day of the financial year.

Increases in the fair value of investments in quoted equity shares at fair value through profit or loss, amounting to $240,000 (2022 : decrease of $754,000) have been included in profit or loss for the year as part of "other income" (Note 28).

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9 INVENTORIES

	Group	
	2023	2022
	$'000	$'000
Consumables	2,590	2,400
Liquor and beverages	334	330
	2,924	2,730

10 INVESTMENTS IN SUBSIDIARIES

	Company	
	2023	2022
	$'000	$'000
Unquoted equity shares – at cost	5,424	5,424

Details of the Group's significant subsidiaries at the end of reporting period are as follows:

Name of subsidiary	Principal activities	Place of incorporation and principal place of business	Proportion of ownership interest and voting power held	
			2023	2022
			%	%
Held by the Company				
Jumbo Group of Restaurants Pte. Ltd. (1)	Operation and management of restaurants	Singapore	100	100
Subsidiaries held by Jumbo Group of Restaurants Pte. Ltd.				
Jumbo F&B Services Pte. Ltd. (1)	Investment holding	Singapore	100	100
Kok Kee Wanton Noodle Pte. Ltd. (1)	Operation and management of restaurants	Singapore	75	75
JLL F&B Services Pte. Ltd. (1)	Operation and management of restaurants	Singapore	60	60
JCC Food Concepts Pte. Ltd. (1)	Operation and management of restaurants	Singapore	65	65
JSL F&B Services Pte. Ltd.	Dormant	Singapore	100	100

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of subsidiary	Principal activities	Place of incorporation and principal place of business	Proportion of ownership interest and voting power held	
			2023	2022
			%	%
Subsidiaries held by Jumbo F&B Services Pte. Ltd.				
JBT (China) Pte. Ltd. (1)	Investment holding	Singapore	70	70
Jumbo F&B Services (Shanghai) Co. Ltd. (2)	Operation and management of seafood restaurants	PRC	100	100
Jumbo F&B Services (Taiwan) Co. Ltd. (2)	Operation and management of seafood restaurants	Taiwan	80	80
Temasek F&B Services Co. Ltd. (2)	Operation and management of restaurants	Taiwan	100	100
Subsidiary held by JBT (China) Pte. Ltd.				
JBT F&B Management (Shanghai) Co. Ltd. (2)	Operation and management of seafood restaurants	PRC	70	70
Subsidiary held by Jumbo F&B Services (Shanghai) Co Ltd				
JBHG F&B Services (Beijing) Co. Ltd. (2)	Operation and management of seafood restaurants	PRC	51	51

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by an overseas practice of Deloitte Touche Tohmatsu Limited.

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Wholly owned subsidiaries

Information about the composition of wholly owned subsidiaries of the Group at the end of the reporting period is as follows:

Principal activities	Place of incorporation and operation	Number of wholly owned subsidiaries	
		2023	2022
Investment holding	Singapore	1	1
Operations and management of restaurants	Singapore	1	1
	PRC	1	1
	Taiwan	1	1
Dormant	Singapore	1	1

Non-wholly owned subsidiaries

Information about the composition of non-wholly owned subsidiaries of the Group at the end of the reporting period is as follows:

Principal activities	Place of incorporation and operation	Number of non-wholly owned subsidiaries	
		2023	2022
Investment holding	Singapore	1	1
Operations and management of restaurants	Singapore	3	2
	PRC	2	2
	Taiwan	1	1
Dormant	Singapore	–	1

Details of non-wholly owned subsidiaries that have material non-controlling interests to the Group are disclosed below:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss) Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2023	2022	2023	2022	2023	2022
		%	%	$'000	$'000	$'000	$'000
JBT (China) Pte. Ltd.	Singapore	30	30	(360)	(165)	614	1,098
JBHG F&B Services (Beijing) Co. Ltd.	PRC	49	49	172	39	1,716	1,642
Individual subsidiaries with immaterial non-controlling interests				(195)	(119)	(433)	(523)
				(383)	(245)	1,897	2,217

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra Group eliminations.

	JBT (China) Pte Ltd		JBHG F&B Services (Beijing) Co Ltd	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Current assets	5,413	6,544	3,467	3,323
Non-current assets	3,693	7,199	1,350	1,604
Current liabilities	(5,701)	(6,161)	(1,314)	(1,307)
Non-current liabilities	(1,359)	(3,921)	–	(268)
Equity attributable to owners of the Company	1,432	2,563	1,787	1,710
Non-controlling interests	614	1,098	1,716	1,642
Revenue	15,997	15,626	6,761	7,175
Expenses	(17,197)	(16,177)	(6,409)	(7,095)
(Loss) Profit for the year	(1,200)	(551)	352	80
(Loss) Profit attributable to owners of the Company	(840)	(386)	180	41
(Loss) Profit attributable to non-controlling interests	(360)	(165)	172	39
(Loss) Profit for the year	(1,200)	(551)	352	80
Other comprehensive (loss) income attributable to owners of the Company	(291)	6	(103)	64
Other comprehensive (loss) income attributable to non-controlling interests	(124)	(1)	(98)	62
Other comprehensive (loss) income for the year	(415)	5	(201)	126
Total comprehensive (loss) income attributable to owners of the Company	(1,131)	(380)	77	105
Total comprehensive (loss) income attributable to non-controlling interests	(484)	(166)	74	101
Total comprehensive (loss) income for the year	(1,615)	(546)	151	206
Net cash inflow from operating activities	2,978	2,664	923	1,497
Net cash inflow (outflow) from investing activities	745	(1,385)	(487)	(2,626)
Net cash outflow from financing activities	(3,175)	(2,780)	(618)	(303)
Net cash inflow (outflow)	548	(1,501)	(182)	(1,432)

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11 INVESTMENTS IN ASSOCIATES

	Group	
	2023	2022
	$'000	$'000
Unquoted equity shares - at cost	1,944	2,521
Share of post-acquisition loss, net dividend received	(1,188)	(1,767)
	756	754

Details of the Group's associates as at the end of reporting period are as follows:

Name of associate	Principal activities	Place of incorporation and principal place of business	Proportion of ownership interests and voting power held	
			2023	2022
			%	%
Associates held by Jumbo Group of Restaurants Pte. Ltd.				
Seafood Republic Pte. Ltd. ("**SRPL**") (1)	Operation and management of restaurants	Singapore	20	20
Singapore Seafood Republic Pte. Ltd. ("**SSRPL**") (1)(2)	Investment holding	Singapore	27	27
SSR Sentosa Pte. Ltd. ("**SSR Sentosa**") (1)(2)	Dormant	Singapore	27	27
Associates held by Jumbo F&B Services Pte. Ltd.				
Vista F&B Services Pte. Ltd. ("**VSPL**") (1)	Operation and management of restaurants	Singapore	49	49
Ho Sing Foods Co. Ltd. ("**HSFL**") (3)	Dormant	Taiwan	49	49
JD F&B Inc. ("**JDFB**") (4)	Dormant	Korea	–	50

11 INVESTMENTS IN ASSOCIATES (cont'd)

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Although the Group holds 100% equity interests in SSR Sentosa, management has assessed that SSRPL, rather than the Group, has the ability to direct the relevant activities of SSR Sentosa because of a loan financing arrangement by SSRPL to SSR Sentosa which gives SSRPL authority to direct the activities of SSR Sentosa that significantly affect the returns of SSR Sentosa. As SSRPL is an associate of the Group, SSR Sentosa is deemed to be an associate of the Group.

(3) The latest available management accounts were used for consolidation purposes. The directors determined that it is not able to jointly direct the relevant activities of the entity and classified it as an associate of the Group in accordance with SFRS(I) 1-28 *Investment in Associates and Joint Ventures*.

(4) JD F&B Inc. was dissolved by way of members' voluntary liquidation on 14 July 2023. The liquidation does not have a material impact on the net tangible assets or earnings per share of the Company for the for the financial year ended 30 September 2023.

Summarised financial information of the Group's material associates, SRPL and VSPL are set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with SFRS(I)s.

	SRPL		VSPL	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Current assets	1,570	1,506	5,288	4,120
Non-current assets	602	602	4,076	6,107
Current liabilities	(66)	(67)	(6,212)	(5,974)
Non-current liabilities	(1)	–	(3,429)	(4,700)
Revenue	90	115	11,233	11,189
Profit for the year	64	122	170	942

Reconciliation of the above summarised financial information to the carrying amount of the interests in SRPL and VSPL recognised in these consolidated financial statements:

	SRPL		VSPL	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Net assets (liabilities) of the associates	2,105	2,041	(277)	(447)
Proportion of the Group's ownership interest	20%	20%	49%	49%
Carrying amount of the Group's interest	421	408	–	–

11 INVESTMENTS IN ASSOCIATES (cont'd)

Aggregate information of associates that are not individually material:

	2023	2022
	$'000	$'000
The Group's share of loss	11	5
The Group's share of total comprehensive loss	11	5
Aggregate carrying amount of the Group's interest in these associates	335	346

Unrecognised share of losses of associates

	Group	
	2023	2022
	$'000	$'000
Cumulative share of losses of associates	527	1,439

12 OTHER INVESTMENTS

	Group	
	2023	2022
	$'000	$'000
Financial assets at FVTOCI		
Debt instruments classified as at FVTOCI[1]	250	250

(1) The investment in debt instruments represents the listed redeemable notes that carry interest at 3.98% (2022 : 3.98%) per annum, and are redeemable at par value in 2025. These redeemable notes are held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence, the redeemable notes are classified as at FVTOCI.

For the purpose of impairment assessment, the investment in debt instruments is considered to have low credit risk as the counterparty to the investment has strong credit rating. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12-month ECL. Management has assessed and concluded that the investment is subject to immaterial credit loss.

13 INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group 2023 $'000	Group 2022 $'000
Equity investment – FVTPL	1,881	2,629
Fair value gain (loss) included in profit or loss for the year as part of "other income"	29	(748)
	1,910	1,881

The shareholdings in this unquoted equity investment represent less than 20% of interests. These investments are measured at fair value through profit or loss in accordance with SFRS(I) 9 *Financial Instruments: Recognition and Measurement* as this represents an identified portfolio of investments which the Group manages together with an intention of profit taking.

Investments at fair value through profit or loss are denominated in Singapore dollars.

Increases in fair value of investment at fair value through profit or loss, amounting to $29,000 (2022 : decrease of $748,000) has been included in profit or loss for the year as part of "other income" (Note 28).

14 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.

	$'000
Group	
Cost:	
At 1 October 2021	3,466
Exchange differences	(61)
At 30 September 2022	3,405
Exchange differences	(44)
At 30 September 2023	3,361

14 GOODWILL (cont'd)

The carrying amount of goodwill of $3,361,000 (2022 : $3,405,000) is allocated to the respective CGUs:

	2023 $'000	2022 $'000
Group		
CGUs:		
Ng Ah Sio Bak Kut Teh business in Singapore	782	782
Jumbo F&B Services (Taiwan) Co Ltd	765	809
Kok Kee Wanton Noodle Pte. Ltd.	1,814	1,814
Total	3,361	3,405

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 and revenue growth rates. 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 revenue growth rates are based on past experience adjusted for industry growth forecasts 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.

Key assumptions used for value-in-use calculations for goodwill are as follows:

	2023		2022	
	Average revenue growth rate	Discount rate	Average revenue growth rate	Discount rate
Ng Ah Sio Bak Kut Teh business in Singapore	13%	13.5%	12%	13.0%
Jumbo F&B Services (Taiwan) Co Ltd	6%	13.0%	7%	10.6%
Kok Kee Wanton Noodle Pte. Ltd.	5%	13.5%	12%	13.0%

As at 30 September 2023 and 2022, any reasonably possible change to the key assumptions applied are not likely to cause the recoverable amounts to be below the carrying amounts of the CGU.

For the years ended 30 September 2023 and 2022, management has assessed that no allowance for impairment was required.

15 INTANGIBLE ASSETS

	Franchise rights $'000	Trademark $'000	Total $'000
Group			
Cost:			
At 1 October 2021	252	285	537
Exchange differences	(12)	–	(12)
At 30 September 2022	240	285	525
Addition	–	495	495
Exchange differences	(13)	–	(13)
At 30 September 2023	227	780	1,007
Amortisation:			
At 1 October 2021	57	–	57
Amortisation for the year	21	–	21
At 30 September 2022	78	–	78
Amortisation for the year	19	7	26
Exchange differences	(5)	–	(5)
At 30 September 2023	92	7	99
Carrying amount:			
At 30 September 2023	135	773	908
At 30 September 2022	162	285	447

16 RIGHT-OF-USE ASSETS

	Outlets $'000	Office spaces $'000	Hostel premises $'000	Total $'000
Cost:				
At 1 October 2021	50,723	2,210	264	53,197
Additions	12,441	618	–	13,059
Disposals	(7)	(6)	–	(13)
Exchange differences	(279)	16	–	(263)
At 30 September 2022	62,878	2,838	264	65,980
Additions	12,941	41	–	12,982
Disposals	(2,139)	(344)	(264)	(2,747)
Exchange differences	(1,404)	(71)	–	(1,475)
At 30 September 2023	72,276	2,464	–	74,740
Accumulated depreciation:				
At 1 October 2021	28,622	960	255	29,837
Depreciation	11,270	543	9	11,822
Disposals	(7)	(6)	–	(13)
Exchange differences	(263)	–	–	(263)
At 30 September 2022	39,622	1,497	264	41,383
Depreciation	11,528	549	–	12,077
Disposals	(1,855)	(344)	(264)	(2,463)
Exchange differences	(600)	(34)	–	(634)
At 30 September 2023	48,695	1,668	–	50,363
Impairment:				
At 1 October 2021 and 30 September 2022	–	–	–	–
Impairment loss recognised during the year	410	–	–	410
At 30 September 2023	410	–	–	410
Carrying amount:				
At 30 September 2023	23,171	796	–	23,967
At 30 September 2022	23,256	1,341	–	24,597

The Group leases several outlets, office spaces and hostel premises and the average lease term is 3 to 5 years (2022: 3 to 5 years). Certain leases expired in the current financial year and were replaced by new leases for identical underlying assets. This resulted in additions to right-of-use assets of $12,982,000 (2022 : $13,059,000) in 2023.

16 RIGHT-OF-USE ASSETS (cont'd)

During the year, the Group carried out a review of the recoverable amount of outlets in the People's Republic of China ("**PRC**") due to the Covid-19 restrictions and challenging economic conditions in the PRC. The recoverable amount was determined on the basis of the value-in-use of the outlets and the review led to the recognition of an impairment loss of $410,000. The discount rate used in measuring value-in-use is 15% (2022 : 14%) per annum.

17 PROPERTY, PLANT AND EQUIPMENT

	Audio, visual and office equipment	Kitchen equipment and utensils	Furniture and fittings	Renovation	Freehold property	Leasehold industrial properties	Motor vehicles	Work in progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group									
Cost:									
At 1 October 2021	6,812	9,025	6,942	27,688	–	7,737	1,408	1,624	61,236
Additions	844	524	534	3,272	–	–	402	530	6,106
Disposals/Written off	(273)	(239)	(202)	(1,468)	–	–	(604)	–	(2,786)
Reclassifications	1,433	7	–	11	–	–	–	(1,451)	–
Exchange differences	(12)	(83)	(28)	(143)	–	–	–	–	(266)
At 30 September 2022	8,804	9,234	7,246	29,360	–	7,737	1,206	703	64,290
Additions	585	621	639	3,007	5,385	–	39	41	10,317
Disposals/Written off	(159)	(405)	(142)	(892)	–	–	–	–	(1,598)
Reclassifications	94	–	16	–	275	–	–	(385)	–
Exchange differences	(406)	169	(38)	(803)	–	–	–	(9)	(1,087)
At 30 September 2023	8,918	9,619	7,721	30,672	5,660	7,737	1,245	350	71,922
Accumulated depreciation:									
At 1 October 2021	5,708	6,321	5,430	17,314	–	1,447	731	–	36,951
Depreciation for the year	1,052	790	556	3,136	–	182	122	11	5,849
Disposals/Written off	(256)	(179)	(163)	(379)	–	–	(337)	–	(1,314)
Exchange differences	(85)	(56)	(17)	(220)	–	–	–	–	(378)
At 30 September 2022	6,419	6,876	5,806	19,851	–	1,629	516	11	41,108
Depreciation for the year	936	794	541	2,966	–	276	121	–	5,634
Disposals/Written off	(113)	(277)	(113)	(544)	–	–	–	–	(1,047)
Exchange differences	(254)	107	(29)	(547)	–	–	–	(11)	(734)
At 30 September 2023	6,988	7,500	6,205	21,726	–	1,905	637	–	44,961
Impairment:									
At 1 October 2021	–	–	–	468	–	–	–	–	468
Impairment loss written back during the year	–	–	–	(168)	–	–	–	–	(168)
At 30 September 2022 and 2023	–	–	–	300	–	–	–	–	300
Carrying amount:									
At 30 September 2023	1,930	2,119	1,516	8,646	5,660	5,832	608	350	26,661
At 30 September 2022	2,385	2,358	1,440	9,209	–	6,108	690	692	22,882

17 PROPERTY, PLANT AND EQUIPMENT (cont'd)

The cost of fully depreciated assets still in use for the Group amounted to $28,783,000 (2022: $22,054,000).

In 2023, freehold property with a carrying amount of $5,660,000 have been pledged to secure borrowings of the Group. The Group is not allowed to pledge this asset as security for other borrowings or to sell them to another entity.

18 CLUB MEMBERSHIPS

	Group	
	2023	2022
	$'000	$'000
Country club memberships, at cost	273	273
Less: Allowance for impairment	(35)	(35)
	238	238

19 DEFERRED TAX (ASSETS) AND LIABILITIES

The following are the major deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and prior reporting periods:

	Group		
	Accelerated tax depreciation	Tax losses	Total
	$'000	$'000	$'000
At 1 October 2021	13	(3,781)	(3,768)
(Credit) Charge to profit or loss (Note 30)	(13)	600	587
At 30 September 2022	–	(3,181)	(3,181)
Charge to profit or loss (Note 30)	94	1,906	2,000
At 30 September 2023	94	(1,275)	(1,181)

19 DEFERRED TAX (ASSETS) AND LIABILITIES (cont'd)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group	
	2023	2022
	$'000	$'000
Deferred tax liabilities	94	–
Deferred tax assets	(1,275)	(3,181)
	(1,181)	(3,181)

20 TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Trade payables	5,501	4,203	–	–
Other payables	5,032	2,276	–	76
Deposits received	1,945	662	–	–
Accrued employee benefits expense	7,928	2,439	–	–
Accrued directors' fees	48	60	48	60
Accrued operating expenses	1,922	1,107	223	154
Accrued credit expenses	356	630	–	–
Deferred revenue	48	2,263	–	–
	22,780	13,640	271	290

The credit period on purchases of goods is typically 30 days (2022 : 30 days). No interest is charged.

The Group has a loyalty programme which allows members to accumulate credits when they spend in the Group's restaurants. These credits can be off-set against billings from the Group's outlets and/or redeem for certain merchandise. Accrued credit expense relates to the credits issued under the loyalty programme that are expected to be redeemed but are still outstanding as at the end of the financial year. As at 1 October 2021, accrued credit expenses amounted to $191,000.

Deferred revenue mainly relates to advances received from customers for the sale of cash vouchers and membership stored value card which are recognised as revenue when utilised by the customers. As at 1 October 2021, deferred revenue amounted to $2,944,000. There was a significant decrease in the deferred revenue balance during the reporting period due to the utilisation and expiry of the cash vouchers and membership stored value card. The amount of revenue recognised in the current reporting period which relates to brought-forward deferred revenue is $2,263,000 (2022 : $2,944,000).

There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

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21 PROVISION FOR REINSTATEMENT COSTS

	Group	
	2023	2022
	$'000	$'000
At beginning of year	3,741	3,534
Additions during the year	350	324
Utilised during the year	(7)	(16)
Write-back during the year	(302)	(79)
Exchange differences	(44)	(22)
At end of year	3,738	3,741

Provision for reinstatement costs is an estimation for the reinstatement of the Group's leased premises to their original state upon expiry of the respective leases.

22 LEASE LIABILITIES (GROUP AS A LEASEE)

	Group	
	2023	2022
	$'000	$'000
Maturity analysis:		
Year 1	11,990	11,245
Year 2	8,370	7,585
Year 3	3,982	4,524
Year 4	1,192	1,403
Year 5	998	1,118
Year 6 onwards	916	2,034
	27,448	27,909
Less: Future charges	(1,529)	(1,636)
	25,919	26,273
Analysed as:		
Current	11,235	10,517
Non-current	14,684	15,756
	25,919	26,273

22 LEASE LIABILITIES (GROUP AS A LEASEE) (cont'd)

For the financial year ended 30 September 2022, the Group has applied the practical expedient to all non-mandatory rent concessions given that are eligible for the practical expedient as a result of the Covid-19-related rent concessions amendment to SFRS(I) 16 and has derecognised $1,934,000 of the lease liabilities that has been extinguished by the forgiveness of lease payments on certain outlets of the Group.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	1 October 2022	New leases	Other changes[i]	Financing cash flows	30 September 2023
	$'000	$'000	$'000	$'000	$'000
Bank borrowings	16,702	–	–	441	17,143
Lease liabilities	26,273	12,982	(313)	(13,023)	25,919

	1 October 2021	New leases	Other changes[i]	Financing cash flows	30 September 2022
	$'000	$'000	$'000	$'000	$'000
Bank borrowings	15,349	–	–	1,353	16,702
Lease liabilities	24,987	13,059	(1,934)	(9,839)	26,273

(i) Other changes include rent concessions and lease termination.

23 BANK BORROWINGS

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Bank loans	17,143	16,702	3,060	4,040
Less: Amount due for settlement within 12 months (shown under current liabilities)	(5,158)	(4,833)	(999)	(980)
Amount due for settlement after 12 months	11,985	11,869	2,061	3,060

As at 30 September 2023, the Group's unsecured bank borrowings amounting to $845,000 (2022 : $902,000) bear floating interest rate at an average effective interest rate of 2.39% to 3.01% (2022: 2.01% to 2.39%) per annum on a 3-month renewal basis.

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23 BANK BORROWINGS (cont'd)

As at 30 September 2023, the Group's secured borrowing amounting to $4,324,000 is secured by a charge on the freehold property of a subsidiary located at 208 Rangoon Road, Hong Building, Singapore 218453 and bear floating interest rate at an average effective interest rate of between 3.82% to 4.58% per annum. As at 30 September 2022, the Group does not have any secured borrowing or collaterals.

The Group's and Company's unsecured bank borrowings amounting to $11,974,000 (2022 : $15,800,000) and $3,060,000 (2022 : $4,040,000) respectively bear fixed interest rate at 2% (2022 : 2%) per annum for a tenure of 5 years.

Management is of the view that the fair values of the Group's bank borrowings approximate their carrying amounts.

24 SHARE CAPITAL

	Group and Company			
	2023	2022	2023	2022
	Number of ordinary shares		$'000	$'000
Issued and paid up:				
At beginning and end of the year	643,658,465	643,658,465	49,436	49,436

25 TREASURY SHARES

	Group and Company			
	2023	2022	2023	2022
	Number of ordinary shares		$'000	$'000
At the beginning of the year	1,464,300	1,338,100	439	405
Repurchased during the year	989,000	126,200	293	34
At the end of the year	2,453,300	1,464,300	732	439

In 2023, the Company acquired 989,000 (2022 : 126,200) of its own shares through purchases on Singapore Exchange during the year. The total amount paid to acquire the shares was $293,000 (2022 : $34,000) and had been deducted from shareholders' equity. The shares were held as treasury shares. The Company did not reissue any treasury shares to the employees of the Group in 2023 and 2022.

The proposed participation and grant of share awards ("**Awards**") to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian who are associates of a controlling shareholder under the Performance Share Plan were approved by shareholders at an EGM held on 31 January 2019.

25 TREASURY SHARES (cont'd)

In 2019, the Company granted Awards of 39,700 and 13,000 shares to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian respectively under the Performance Share Plan as follows:

	Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	Shares granted during financial year under review (including terms)	Aggregate shares granted since commencement of scheme to end of financial year under review	Aggregate issued and/or transferred pursuant to the vesting of Awards since commencement of scheme to end of financial year under review	Aggregate shares outstanding as at end of financial year under review
Ms. Wendy Ang Chui Yong[1]	–	39,700	(39,700)[2]	–
Mr. Ang Kiam Lian[1]	–	13,000	(13,000)[2]	–

(1) The Awards were granted to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian with a vesting period of (a) within 2 months from 31 January 2019 up to 30% of shares granted; (b) within 2 months from 1 January 2020 up to 30% of shares granted; and (c) within 2 months from 1 January 2021 up to 40% of shares granted. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

(2) Both the 39,700 and 13,000 shares were allotted and issued to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian respectively, pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

The Company granted Awards under the Performance Share Plan to other employees of the Group as follows:

	Number of shares comprised in Awards under the Performance Share Plan				
Name of participant	Shares granted during financial year under review (including terms)	Aggregate shares granted since commencement of scheme to end of financial year under review	Aggregate issued and/or transferred pursuant to the vesting of Awards since commencement of scheme to end of financial year under review	Aggregate forfeited since commencement of scheme to end of financial year under review	Aggregate shares outstanding as at end of financial year under review
Other employees[3]	–	284,600	256,200[4]	28,400	–
Other employees[5]	–	329,400	329,400	–	–

(3) The Awards were granted to other employees of the Group with a vesting period of (a) within 2 months from 31 January 2019 up to 30% of shares granted; (b) within 2 months from 1 January 2020 up to 30% of shares granted; and (c) within 2 months from 1 January 2021 up to 40% of shares granted. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period. In 2021, 21,100 shares were forfeited as certain employees had left the Group prior to the vesting of the shares.

(4) In 2021, 87,400 shares were allotted and issued to other employees of the Group, pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

(5) The Awards were granted to other employees of the Group with a vesting period of 100% within 2 months from the date of the annual general meeting of the Company held on 17 January 2020.

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26 MERGER RESERVE

Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which they were acquired by the Company and the purchase consideration paid by the Company for the acquisition using the principles of merger accounting applicable to business combination under common control.

27 REVENUE

	Group	
	2023	2022
	$'000	$'000
At a point in time:		
Sale of food and beverages	177,945	114,383
Franchise income	–	570
Over time:		
Royalty income	811	607
	178,756	115,560

28 OTHER INCOME

	Group	
	2023	2022
	$'000	$'000
Government credit schemes	1,041	190
Interest income	564	239
Management fees received from associates (Note 5)	248	236
Fair value gain (loss) on short-term investments	240	(754)
Government grants	1,355	208
Sponsorships	402	70
Insurance claims	112	67
Sale of waste	62	40
Job support scheme	–	328
Rental rebate and concessions	3	1,934
Fair value gain (loss) on investments at FVTPL classified under other income	29	(748)
Gain on termination of lease	26	–
Others	907	408
	4,989	2,218

29 OTHER OPERATING EXPENSES

	Group	
	2023	2022
	$'000	$'000
Cleaning services, repairs and maintenance	3,361	3,022
Credit card commission	3,128	2,176
General supplies	2,432	2,846
Professional fees	1,637	1,034
Transportation fees	827	462
Marketing expense	1,765	1,310
Loss on disposal of investments	–	10
Loss on disposal of property, plant and equipment	477	1,249
License fees	670	444
Insurance expenses	594	499
Other expenses	3,185	1,179
	18,076	14,231

30 INCOME TAX EXPENSE

	Group	
	2023	2022
	$'000	$'000
Tax expense comprises:		
Current tax		
- Current year	2,048	23
- Underprovision in respect of prior years	51	–
Deferred tax		
- Current year (Note 19)	2,000	587
Withholding tax	96	89
	4,195	699

Domestic income tax is calculated at 17% (2022 : 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

30 INCOME TAX EXPENSE (cont'd)

The total charge for the year can be reconciled to the accounting profit result as follows:

	Group	
	2023	2022
	$'000	$'000
Profit before income tax	18,417	363
Income tax expense calculated at 17% (2022 : 17%)	3,131	62
Non-deductible items, net	481	289
Tax effect of share of loss of associates	–	(3)
Deferred tax benefits not recognised	378	230
Effect of different tax rate of subsidiaries operating in other jurisdiction	92	98
Withholding tax	96	89
Under provision of current tax in respect of prior years	51	–
Others	(34)	(66)
	4,195	699

Subject to the agreement by the tax authorities, at the reporting date, the Group has unutilised tax losses of $12,521,000 (2022 : $21,699,000) available for offsetting against their future taxable profits. Deferred tax asset has been recognised in respect of $5,137,000 (2022 : $16,540,000) of such losses.

No deferred tax asset has been recognised in respect of the current year losses of certain subsidiaries of $7,384,000 (2022 : $5,159,000) as it is not considered probable that there will be future taxable profits available. At the reporting date, the Group has unutilised tax losses of $11,809,000 (2022 : $10,425,000) expiring between 2024 to 2032 (2022 : 2023 to 2032).

31 SEGMENT INFORMATION

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*. The aggregated restaurant business is therefore the Group's only reportable segment.

The accounting policies of the reportable segment are the same as the Group's accounting policies described in Note 2.

31 SEGMENT INFORMATION (cont'd)

Geographical information

The Group operates in Singapore, the PRC and Taiwan.

The following table provides an analysis of the Group's revenue from external customers based on the geographical location where revenue is generated:

	Group 2023 $'000	Group 2022 $'000
Revenue by geographical market		
Singapore	148,375	83,352
PRC	26,084	27,891
Taiwan	4,297	4,317
Total	178,756	115,560

The following is an analysis of the carrying amount of segment assets analysed by the geographical location in which the assets are located:

	Group 2023 $'000	Group 2022 $'000
Non-current assets		
Singapore	39,230	31,114
PRC	10,534	15,608
Taiwan	864	757
Total	50,628	47,479

The segment assets are made up of non-current assets which comprise property, plant and equipment and right-of-use assets.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

32 PROFIT (LOSS) FOR THE YEAR

Profit (Loss) for the year has been arrived at after charging:

	Group 2023 $'000	Group 2022 $'000
Employment benefits - directors and key management:		
- Salary and allowances	4,004	1,205
- Cost of defined contribution plans	54	33
Employment benefits - directors of subsidiaries:		
- Salary and allowances	329	563
- Cost of defined contribution plans	27	35
Directors' fees of the Company	258	240
Audit fees:		
- paid to auditors of the Company	311	247
Non-audit fees paid to auditors of the Company	54	51
Operating lease expenses [(1)]	4,485	3,010
Cost of inventories recognised as an expense	61,710	40,580
Cost of defined contribution plans included in employee benefit expense	3,520	2,263

(1) Disclosure required by SFRS(I) 16

	Group 2023 $'000	Group 2022 $'000
Expenses relating to short-term leases and leases of low value assets	1,254	1,784
Variable lease payments not included in the measurement of the lease liabilities	3,231	1,226
Total	4,485	3,010

Some of the outlets leases in which the Group is the lessee contain variable lease payment terms that are linked to sales generated from the leased stores. Variable payment terms are used to link rental payments to store cash flows and reduce fixed costs.

The total cash outflow for leases (including short-term leases and leases of low value assets) amount to $17,508,000 (2022 : $12,849,000).

33 COMMITMENTS

The Group as a lessee

Disclosure required by SFRS(I) 16

As at 30 September 2023, the Group is committed to $262,000 (2022 : $374,000) for short-term leases.

As at 30 September 2023, the Group has outstanding commitments for leases not yet commenced for which the undiscounted lease payments fall due as follows:

	2023	2022
	$'000	$'000
Within one year	782	215
Within two to five years	2,640	559
More than five years	509	–
Total	3,931	774

Contingent rental for the Group payable at certain percentage of monthly gross turnover has been excluded from the lease commitments above.

34 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	
	2023	2022
	$'000	$'000
Earnings (Loss) per ordinary share		
Profit (Loss) attributable to owners of the Company ($'000)	14,605	(91)
Weighted average number of ordinary shares for purpose of earnings (loss) per share ('000)	641,646	642,309
Earnings (Loss) per ordinary share - Basic and diluted (cents)	2.3	–*

*: Less than (0.1) cents

There were no dilutive equity instruments for 2023 and 2022.

There is no dilution as no share options were granted or were outstanding during the financial year.

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.

35 DIVIDENDS

In respect of the current year, the directors propose that a tax-exempt (one-tier) final cash dividend of 1.0 cents per share to be paid to shareholders. The proposed dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in these financial statements. The total estimated dividend to be paid is $6,412,000.

No dividends have been proposed in respect of the financial year ended 30 September 2022.

36 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following SFRS(I)s pronouncements relevant to the Group and Company were issued but not effective:

Effective for annual periods beginning on or after 1 January 2023

- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*
- Amendments to SFRS(I) 1-12: *Deferred Tax related to Assets and Liabilities arising from Single Transaction*

Effective for annual periods beginning on or after 1 January 2024

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*

Effective date is deferred indefinitely

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*

Management anticipates that the adoption of the new SFRS(I) pronouncements that were issued but not effective at the date of authorisation of these financial statements will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

37 EVENTS AFTER THE REPORTING PERIOD

JBHG F&B Services (Beijing) Co Ltd, a non-wholly owned subsidiary of the Group, had entered into an agreement with the landlord and terminated the lease of one of its Jumbo Seafood outlet in China, Xi'an in December 2023.

Total number of issued ordinary shares	:	643,658,465
Total number of issued ordinary shares excluding treasury shares	:	641,205,165
Total number of treasury shares	:	2,453,300
Percentage of treasury shares held against the total number of issued ordinary shares excluding treasury shares	:	0.38%
Class of shares	:	Ordinary shares
Voting rights	:	On a poll: 1 vote for each ordinary share
Number of subsidiary holdings	:	Nil

BREAKDOWN OF SHAREHOLDINGS BY RANGE

AS AT 13 DECEMBER 2023

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	2	0.09	56	0.00
100 - 1,000	181	8.53	115,400	0.02
1,001 - 10,000	897	42.29	5,989,748	0.93
10,001 - 1,000,000	1,011	47.67	63,069,844	9.84
1,000,001 AND ABOVE	30	1.42	572,030,117	89.21
TOTAL	**2,121**	**100.00**	**641,205,165**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	JBO HOLDINGS PTE LTD	292,044,265	45.55
2	CITIBANK NOMINEES SINGAPORE PTE LTD	80,187,963	12.51
3	TAN GEE JIAN	42,254,900	6.59
4	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	40,405,000	6.30
5	DBS NOMINEES (PRIVATE) LIMITED	13,914,600	2.17
6	ANG HON NAM @ NG NAM TECK	11,503,892	1.79
7	SEE BOON HUAT	10,350,000	1.61
8	KOH AH SAY @ SEE BOON CHYE	8,178,700	1.28
9	PALM BEACH SEAFOOD RESTAURANT PTE LTD	8,000,000	1.25
10	RAFFLES NOMINEES (PTE.) LIMITED	7,699,700	1.20
11	POH CHONG PENG	6,096,100	0.95
12	NG NAM HUAT	5,633,600	0.88
13	NG NAM SOON	5,633,600	0.88
14	PHILLIP SECURITIES PTE LTD	4,618,700	0.72
15	NG SIAK HAI	4,081,304	0.64
16	NSH HOLDINGS PTE LTD	3,594,000	0.56
17	TAN YONG CHUAN JACQUELINE	3,006,352	0.47
18	ONG KIAN KOK	2,700,000	0.42
19	CHRISTINA ANG CHWEE HUAN	2,512,942	0.39
20	NG CHEAU LEE	2,401,656	0.37
	TOTAL	**554,817,274**	**86.53**

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
JBO Holdings Pte. Ltd.[(1)]	292,044,265	45.5	–	–
Kok Sing Realty (Pte) Ltd[(1)]	–	–	292,044,265	45.5
Tan Gee Jian	42,254,900	6.6	–	–
Ron Sim Chye Hock	64,166,600	10.0	–	–
Kuang Ming Investments Pte. Limited[(2)(3)]	45,115,000	7.0	–	–
Tan Kim Choo[(2)]	–	–	45,115,000	7.0
Ng Chee Tat Philip[(3)]	–	–	45,115,000	7.0

Notes:

(1) Kok Sing Realty (Pte) Ltd has a more than 20.0% interest in JBO Holdings Pte. Ltd.. Kok Sing Realty (Pte) Ltd is deemed interested in the 292,044,265 shares held by JBO Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act 1967 (Singapore).

(2) Kuang Ming Investments Pte. Limited has a direct interest in 45,115,000 shares. Tan Kim Choo has a more than 20.0% interest in Kuang Ming Investments Pte. Limited and is therefore deemed to be interested in the 45,115,000 shares in which Kuang Ming Investments Pte. Limited has an interest.

(3) Kuang Ming Investments Pte. Limited has a direct interest in 45,115,000 shares. Ng Chee Tat Philip has a more than 20.0% interest in Kuang Ming Investments Pte. Limited and is therefore deemed to be interested in the 45,115,000 shares in which Kuang Ming Investments Pte. Limited has an interest.

PUBLIC FLOAT

Based on the information available to the Company as at 13 December 2023, approximately 25.4% of the total number of issued shares in the Company was held in the hands of the public as defined in the Catalist Rules. Accordingly, Rule 723 of the Catalist Rules has been compiled with.

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of JUMBO GROUP LIMITED (the "**Company**") will be held at 190 Keng Lee Road, Chui Huay Lim Club, Singapore 308409 on Friday, 19 January 2024 at 9.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 September 2023 ("**FY2023**") together with the Auditors' Report thereon. **(Resolution 1)**

2. To declare a final tax exempt (one-tier) dividend of 1.0 Singapore cent per share for FY2023. **(Resolution 2)**

3. To note the retirement of the following Directors who are retiring pursuant to Regulation 90 of the constitution of the Company ("**Constitution**") and will not be seeking re-election as Directors of the Company:

   Mdm. Tan Yong Chuan, Jacqueline (Regulation 90) *[See Explanatory Note (i)]*
   Dr. Lim Boh Soon (Regulation 90) *[See Explanatory Note (ii)]*
   Mr. Richard Tan Kheng Swee (Regulation 90) *[See Explanatory Note (iii)]*

4. To approve the payment of additional Directors' fees of S$145,200 for FY2023. **(Resolution 3)**

   [See Explanatory Note (iv)]

5. To approve the payment of Directors' fees of up to S$170,000 for the financial year ending 30 September 2024. **(Resolution 4)**

6. To appoint Foo Kon Tan LLP ("**FKT**") as the Company's Auditors in place of the retiring Auditors, Deloitte & Touche LLP ("**Deloitte**"), to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. **(Resolution 5)**

   [See Explanatory Note (v)]

7. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. **Authority to allot and issue shares in the capital of the Company - Share Issue Mandate**

   "That, pursuant to Section 161 of the Companies Act 1967 (Singapore) (the "**Companies Act**"), the Constitution and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Section B: Rules of Catalist ("**Catalist Rules**"), the board of directors of the Company ("**Board**" or "**Directors**") be and is hereby authorised to:

NOTICE OF
ANNUAL GENERAL MEETING

(i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(iii) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority is in force (notwithstanding that such issue of Shares pursuant to the Instrument may occur after the expiration of the authority contained in this resolution), provided that:

(A) the aggregate number of Shares issued pursuant to such authority (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this resolution) does not exceed 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the then existing shareholders of the Company ("**Shareholders**") (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below);

(B) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (A) above, the total number of issued Shares shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of this resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) (where applicable) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this authority is passed, provided the options or awards were granted in compliance with the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

(C) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being in force; and

(D) (unless revoked or varied by the Company in a general meeting), the authority conferred by this resolution shall continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier." **(Resolution 6)**

[See Explanatory Note (vi)]

9. **Authority to allot and issue Shares under the Jumbo Employee Share Option Scheme**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant options in accordance with the Jumbo Employee Share Option Scheme ("**Share Option Scheme**") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of options granted by the Company under the Share Option Scheme established by the Company upon the exercise of such options in accordance with the terms and conditions of the Share Option Scheme, provided always that the aggregate number of Shares issued and/ or issuable pursuant to the Share Option Scheme, the Performance Share Plan (as defined below) and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier." **(Resolution 7)**

[See Explanatory Note (vii)]

10. **Authority to allot and issue Shares under the Jumbo Performance Share Plan**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant awards in accordance with the Jumbo Performance Share Plan ("**Performance Share Plan**") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of awards granted by the Company under the Performance Share Plan established by the Company upon the vesting of such share awards in accordance with the terms and conditions of the Performance Share Plan, provided always that the aggregate number of Shares issued and/ or issuable pursuant to the Share Option Scheme, the Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier." **(Resolution 8)**

[See Explanatory Note (viii)]

11. **The Proposed Renewal of the Share Buyback Mandate**

That:

(i) for the purposes of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as defined herein), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined herein), whether by way of:

(A) on-market purchases, transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other securities exchange on which the Shares may, for the time being, be listed ("**Market Purchase**"); and/ or

(B) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) which shall satisfy all the conditions prescribed by the Companies Act, as may be determined or formulated by the Directors as they may consider fit ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws, regulations and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(ii) the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of passing of this resolution and expiring on the earliest of:

(A) the date on which the next AGM is held or required by law to be held;

(B) the date on which the purchase(s) of Shares pursuant to the Share Buyback Mandate are carried out to the full extend mandated; or

(C) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by Shareholders in a general meeting,

(the "**Relevant Period**");

(iii) in this resolution:

"**Prescribed Limit**" means 10.0% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) as at the date of passing of this resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered, excluding any treasury shares and subsidiary holdings, that may be held by the Company from time to time;

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(A) in the case of a Market Purchase, 105.0% of the Average Closing Price (as defined herein); and

(B) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) trading days on which the Shares are transacted on Catalist or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs after the relevant 5-day period; and

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(iv) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution. **(Resolution 9)**

By Order of the Board

Chee Yuen Li, Andrea
Secretary

Singapore, 4 January 2024

Explanatory Notes:

(i) Mdm. Tan Yong Chuan, Jacqueline will not be seeking re-election and will retire as Director of the Company on 19 January 2024 at the close of the AGM. Upon the retirement of Mdm. Tan Yong Chuan, Jacqueline as a Director of the Company, she will cease to be an Executive Director of the Company. Mdm. Tan Yong Chuan, Jacqueline will remain as a director of various subsidiaries of the Company.

(ii) Dr. Lim Boh Soon will not be seeking re-election and will retire as Director of the Company on 19 January 2024 at the close of the AGM. Upon the retirement of Dr. Lim Boh Soon as a Director of the Company, he will cease to be an Independent Director of the Company and will relinquish his position as Chairman of the Nominating Committee and Investment Committee and as a member of the Audit Committee and Remuneration Committee. The Board is cognizant of the requirements of Rule 704(7) of the Catalist Rules and is in the midst of finding a new Independent Director. The Company will release the announcement regarding the appointment of the new Independent Director in due course.

(iii) Mr. Richard Tan Kheng Swee will not be seeking re-election and will retire as Director of the Company on 19 January 2024 at the close of the AGM. Upon the retirement of Mr. Richard Tan Kheng Swee as a Director of the Company, he will cease to be an Independent Director of the Company and will relinquish his position as Chairman of the Remuneration Committee and as a member of the Audit Committee, Nominating Committee, and Investment Committee. The Board is cognizant of the requirements of Rule 704(7) of the Catalist Rules and is in the midst of finding a new Independent Director. The Company will release the announcement regarding the appointment of the new Independent Director in due course.

(iv) At the AGM held on 31 January 2023, Shareholders approved the payment of directors' fees of up to S$258,000 for FY2023.

The Board proposed the payment of additional Directors' fees of S$145,200 to compensate the Directors for additional work undertaken due to the increase in various business activities of the Company in FY2023.

If the proposed payment of additional Directors' fees of S$145,200 is approved by the Shareholders at the forthcoming AGM, the total payment for Directors' fees for FY2023 will be S$403,200.

(v) The Ordinary Resolution 5 proposed in item 6 above is to approve the appointment of FKT as auditors of the Company ("**Auditors**") in place of the retiring Auditors, Deloitte, and to authorise the Directors to fix their remuneration.

Deloitte, the retiring Auditors, has served as external auditors of the Company since the financial year ended 30 September 2015.

As part of the periodic review of the appointment and re-appointment of external Auditors, the Board and the Audit Committee are of the view that the proposed change of external Auditors to FKT for the financial year ending 30 September 2024 is in the best interests of the Company as it would enable the Company to benefit from a change in perspectives and for cost saving reasons. Accordingly, Deloitte will not be seeking re-appointment as the external Auditors of the Company.

FKT started its journey in 1968 and has evolved into one of the top 10 accountancy practices in Singapore. Offering a comprehensive suite of services including assurance, tax, and advisory, FKT assists clients in navigating the dynamic landscapes of both domestic and global markets. With a focus on adapting to the evolving business and regulatory environments, FKT has gained valuable insights and expertise through engagements with listed companies and those involved in multi-dining concept food and beverage ("**F&B**") establishments.

Mr. Kong Chih Hsiang Raymond ("**Raymond Kong**"), a partner with FKT, will be assigned to the audit of the Company as the lead engagement partner. Mr. Raymond Kong has extensive experience over a span of more than 20 years in a wide range of industries, including the F&B industry. Mr. Raymond Kong is a practising member of the Institute of Singapore Chartered Accountants and is a public accountant registered with the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**").

The Audit Committee has reviewed and deliberated on the proposed change of Auditors and has recommended that FKT be appointed in place of the retiring Auditors, after taking into consideration the suitability of FKT and the requirements of Rules 712 and 715 of the Catalist Rules. Pursuant to Rule 715(2) of the Catalist Rules, the Company must engage a suitable audit firm for its significant foreign-incorporated subsidiaries and associated companies. FKT is the principal member firm of HLB International in Singapore, where the latter is one of the leading global accountancy networks with a presence in more than 150 countries. FKT will engage the relevant engagement teams from member firms of HLB International in the specific jurisdictions with local domain knowledge to audit the financials of the Company's significant foreign-incorporated subsidiaries and associated companies.

The Board has taken into account the Audit Committee's recommendation, and considered factors such as the Audit Quality Indicators Disclosure Framework issued by ACRA, the adequacy of resources and experience of FKT, the audit engagement partner to be assigned to the audit, FKT's other audit engagements, the size and complexity of the Company, its subsidiaries and associated companies, and the number and experience of supervisory and professional staff to be assigned to the audit, and is satisfied that FKT will be able to meet the audit requirements of the Company and the Group. Accordingly, the Board recommends the appointment of FKT as the Auditors of the Company in place of Deloitte.

In this connection, FKT had on 4 January 2024 given their formal consent to act as Auditors of the Company to the Board. Assuming that Ordinary Resolution 5 is approved by Shareholders, FKT will be appointed as the Auditors of the Company, its subsidiaries and associated companies.

In accordance with Rule 712(3) of the Catalist Rules:

(a) the outgoing auditors, Deloitte, via its professional clearance letter dated 4 January 2024, has confirmed that it is not aware of any professional reasons why FKT should not accept appointment as Auditors of the Company;

(b) the Company confirms that there are no disagreements with Deloitte on accounting treatments within the last 12 months up to the date of this announcement;

(c) the Company confirms that it is not aware of any circumstances connected with the proposed change of Auditors that should be brought to the attention of Shareholders which has not been disclosed in this notice;

(d) the Company confirms that the reasons for the proposed change of Auditors are disclosed above. The proposed change of Auditors is neither due to any disagreement with Deloitte nor the dismissal of Deloitte; and

(e) the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of FKT as its Auditors.

The Board wishes to express their appreciation for the services rendered by Deloitte.

(vi) The Ordinary Resolution 6 proposed in item 8 above, if passed, will empower the Directors to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50.0% may be issued other than on a *pro-rata* basis to Shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time the Ordinary Resolution 6 is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when the Ordinary Resolution 6 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(vii) The Ordinary Resolution 7 proposed in item 9 above, if passed, will empower the Directors, to allot and issue such number of fully paid Shares upon the exercise of such options in accordance with the provisions of the Share Option Scheme.

(viii) The Ordinary Resolution 8 proposed in item 10 above, if passed, will empower the Directors, to allot and issue such number of fully paid Shares upon the vesting of such awards in accordance with the provisions of the Performance Share Plan.

Additional Notes on Arrangements for the AGM:

Format of AGM

(1) The AGM will be held in a wholly physical format at 190 Keng Lee Road, Chui Huay Lim Club, Singapore 308409 on Friday, 19 January 2024 at 9.00 a.m. There will be no option for members to participate virtually.

Appointment of Proxy(ies)

(2) Shareholders who are unable to attend the AGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the duly executed proxy form attached to the Notice of AGM to the Company in the following manner:

(a) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to the Company's Share Registrar at JGLAGM2024@boardroomlimited.com,

in either case, not less than 72 hours before the time appointed for holding the AGM.

(3) A proxy need not be a shareholder of the Company. A Shareholder may choose to appoint the Chairman of the AGM as his/her/its proxy.

(4) Shareholders holding shares through a relevant intermediary as defined in Section 181 of the Companies Act (other than SRS investors) who wish to vote at the AGM should approach their respective relevant intermediary as soon as possible in order to make the necessary arrangements.

(5) SRS investors may vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should approach their respective SRS Operators if they have any queries regarding their appointment as proxies.

(6) Shareholders who hold their shares through a relevant intermediary as defined in Section 181 of the Companies Act (including SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediary (including their respective SRS approved banks or depository agents) to submit their voting instructions by 5.00 p.m. on 10 January 2024, being seven (7) working days before the date of the AGM.

Submission of Questions

(7) If a member wishes to submit questions related to the resolutions tabled for approval at the AGM, all questions must be submitted no later than 9.00 a.m. on Friday, 12 January 2024 through any of the following means:

(a) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to the Company's Share Registrar at JGLAGM2024@boardroomlimited.com.

When submitting questions by post or via email, Shareholders should also provide the following details: (i) the Shareholder's full name; (ii) the Shareholder's address; and (iii) the manner in which the Shareholder holds shares in the Company (e.g., via CDP or SRS), for verification purposes.

(8) Alternatively, a member may also ask questions during the AGM.

(9) The Company will endeavour to address relevant and substantial questions (as may be determined by the Company in its sole discretion) received before and during the AGM, at the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions will be individually addressed. The Company will publish the responses to such questions together with the minutes of the AGM on SGXNet and the Company's website within one (1) month after the date of the AGM.

Access to Documents

(10) The following documents are made available to members on 4 January 2024 together with this Notice of AGM via SGXNET and on the Company's corporate website:

(a) the FY2023 Annual Report;

(b) the Proxy Form in relation to the AGM; and

(c) the Circular in relation to the Proposed Renewal of the Share Buyback Mandate.

NOTICE OF
ANNUAL GENERAL MEETING

(11) Printed copies of this Notice of AGM and the Proxy Form in relation to the AGM will be sent to members. A member may request for printed copies of the FY2023 Annual Report and/ or the Circular in relation to the Proposed Renewal of the Share Buyback Mandate by submitting a request to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, via email to JGLAGM2024@boardroomlimited.com by 5.00 p.m. on 12 January 2024. To be valid, the request must:

(a) specify "Request for Printed Copy of JUMBO Group Limited FY2023 Annual Report/ Circular in relation to the Proposed Renewal of the Share Buyback Mandate dated 4 January 2024" as the subject of the email; and

(b) state the following details:

(i) the Shareholder's full name;

(ii) the Shareholder's address; and

(iii) the manner in which the Shareholder holds shares in the Company (e.g. via CDP or SRS), for verification purposes.

Personal Data Privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and/or representatives appointed for the AGM and/or any adjournment thereof and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM and/or any adjournment thereof, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where a member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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JUMBO GROUP LIMITED

(Company Registration Number 201503401Z)
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this form)

IMPORTANT

1. A relevant intermediary may appoint more than two (2) proxies to attend the AGM and vote (please see Note 3 for the definition of "relevant intermediary").
2. This proxy form is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors should approach their relevant intermediary as soon as possible to specify voting instructions. SRS investors should approach their respective SRS Operators at least seven (7) working days before the AGM to ensure their votes are submitted.
3. PLEASE READ THE NOTES TO THE PROXY FORM.

I/We, ______________________________ (name)

of ______________________________ (address)

being a member/members of **JUMBO GROUP LIMITED** (the "**Company**"), hereby appoint:

Name	Proportion of Shareholding to be represented	
	No. of Shares	%

and/or (deleted as appropriate)

or failing him/her/them, the Chairman of the annual general meeting ("**AGM**") as my/our proxy/proxies to vote for me/us on my/our behalf at the AGM to be held at 190 Keng Lee Road, Chui Huay Lim Club, Singapore 308409 on Friday, 19 January 2024 at 9.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote on the business before the AGM as indicated below. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her/their discretion.

If you wish to exercise all your votes "For" or "Against" a Resolution, please tick [✓] within the "For" or "Against" box provided. Alternatively, please indicate the number of votes "For" or "Against" the relevant Resolution.

If you wish to abstain from voting on a Resolution, please tick [✓] within the "Abstain" box provided. Alternatively, please indicate the number of votes in the "Abstain" box for the relevant Resolution.

No.	Resolutions relating to:	For	Against	Abstain
1.	Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2023 ("**FY2023**")			
2.	Approve the payment of a final tax exempt (one-tier) dividend of 1.0 Singapore cent per share for FY2023			
3.	Additional Directors' fees of S$145,200 for FY2023			
4.	Directors' fees of up to S$170,000 for the financial year ending 30 September 2024			
5.	Appointment of Foo Kon Tan LLP as Auditors in place of the retiring Auditors, Deloitte & Touche LLP and to authorise the Directors to fix their remuneration			
6.	Authority to allot and issue shares - Share Issue Mandate			
7.	Authority to allot and issue shares under the Jumbo Employee Share Option Scheme			
8.	Authority to allot and issue shares under the Jumbo Performance Share Plan			
9.	The proposed renewal of the Share Buyback Mandate			

Dated this ________ day of ____________ 2024

Total number of Shares in:	No. of Shares Held
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. A member of the Company entitled to attend and vote at the AGM is entitled to appoint one or two proxy/proxies to attend and vote in his/her stead.

2. Where a member appoints more than one proxy, the proportion of the shareholding to be represented by each proxy shall be specified in this proxy form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire shareholding and any second named proxy as an alternate to the first named or at the Company's option to treat this proxy form as invalid.

3. A member who is a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint more than two (2) proxies to attend and vote at the AGM instead of such member, but each such proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed. "relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 (Singapore).

4. A proxy need not be a member of the Company.

5. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 (Singapore)), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy form will be deemed to relate to all the shares held by you.

6. This proxy form must be submitted to the Company in the following manner:

   (i) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (ii) if submitted electronically, be submitted via email to the Company's Share Registrar at JGLAGM2024@boardroomlimited.com,

   in either case, not less than 72 hours before the time appointed for holding the AGM.

7. This proxy form must be under the hand of the appointor or of his/ her attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

8. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

General:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

JUMBO GROUP LIMITED
(Company Registration Number 201503401Z)
(Incorporated in the Republic of Singapore)

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