

NEWS RELEASE

JUMBO'S FY2016 PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY LEAPS 46.3% TO \$15.5 MILLION, PROPOSED FINAL AND SPECIAL DIVIDENDS AMOUNTING TO 1.7 CENTS PER SHARE

- ***Revenue rose 11.4% to \$136.8 million***
- ***Proposed final and special dividends of 1.0 cent and 0.7 cents per share, respectively, amounting to approximately 70.3% of profit attributable to owners of the Company***

Singapore, 25 November 2016 – JUMBO Group Limited (“**JUMBO**”, or the “**Company**” and together with its subsidiaries and subsidiary entities, the “**Group**”), one of Singapore’s leading multi-dining concept food and beverage (“**F&B**”) establishments, today announced a profit attributable to owners of the Company (“**Net Profit**”) of \$15.5 million for the financial year ended 30 September 2016 (“**FY2016**”), compared to \$10.6 million for the previous corresponding year (“**FY2015**”).

Revenue increased 11.4% or \$14.0 million from \$122.8 million in FY2015 to \$136.8 million in FY2016 due mainly to revenue contributions from the Group’s 2 new JUMBO Seafood outlets in Shanghai, People’s Republic of China (“**PRC**”) as well as an overall increase in revenue from the rest of the Group’s restaurants.

Cost of sales which comprised raw materials and consumables used increased by 10.5% or \$4.8 million from \$45.5 million in FY2015 to \$50.3 million in FY2016, in line with the increase in revenue.

Employee benefits expense increased by 12.9% or \$4.4 million from \$34.8 million in FY2015 to \$39.2 million in FY2016. This was mainly due to an increase in the

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number of employees for the Group's 2 new JUMBO Seafood restaurants in Shanghai, PRC. In addition, there was an overall increase in headcount and remuneration for the Group's operations in Singapore.

Operating lease expenses increased by 15.0% or \$1.6 million from \$10.3 million in FY2015 to \$11.9 million in FY2016 mainly due to the leases for the Group's 2 new JUMBO Seafood restaurants in Shanghai, PRC.

Profit attributable to owners of the Company increased by 46.3% or \$4.9 million from \$10.6 million in FY2015 to \$15.5 million in FY2016 mainly due to co-operative ventures and a formerly partially owned subsidiary being acquired to become fully owned by the Company after the restructuring exercise undertaken in conjunction with the Company's initial public offering and an overall increase in net profit.

Final and Special Dividends

In view of the Group's healthy operating cash flow and to reward shareholders of the Company for their loyal support, the board of directors of JUMBO has proposed a tax exempt (one-tier) final cash dividend of 1.0 cent and a tax exempt (one-tier) special dividend of 0.7 cents, representing a total dividend payout of 1.7 cents per share for FY2016. The proposed dividends, which are subject to shareholders' approval, would amount to approximately 70.3% of the Group's FY2016 Net Profit.

Mr. Ang Kiam Meng (黄建铭), CEO and Executive Chairman, said, "We are pleased to deliver yet another robust set of results for our shareholders in FY2016, despite the ongoing industry challenges. We are highly encouraged by the continuing broad-based growth we are experiencing across our restaurant operations. This is a clear testament to JUMBO's brand appeal among our customers. We look forward to further improving our financial performance by streamlining our operations to raise productivity and efficiency, while lowering operating costs in order to mitigate industry challenges."

Recent Developments in Q4 FY2016

In October 2016, the Group announced the expansion of its JUMBO Seafood (Riverside) outlet as well as the opening of its fifth NG AH SIO Bak Kut Teh outlet at Resorts World Sentosa.

JUMBO leased an additional 3,500 square feet of space at the current location of its JUMBO Seafood (Riverside) outlet, which increased its seating capacity from 300 to 450. These 150 seats were added on the second floor of the JUMBO Seafood (Riverside) outlet, which includes 5 VIP rooms with a view of the Singapore River and 9 tables in the main hall to cater to corporate meals and events.

The 1,600 square feet NG AH SIO Bak Kut Teh outlet combines the traditional dining experience with the use of self-ordering and payment kiosks, and a tray return system that encourages diners to return their trays after dining.

Mr. Ang said, “The functional dining eco-system featured in the latest NG AH SIO Bak Kut Teh outlet marks a significant step in the Group’s continued quest for innovation.

The self-ordering system serves to improve dining experience for our diners and generates significant operational cost savings for the Group. Additionally, such eco-system enables the Group to streamline our operations and lower our reliance on manpower needs by approximately 30%.”

Outlook

The F&B industry is expected to continue to be challenging, given the weak economic outlook coupled with pressure on operating costs and keen competition.

The Group will continue to focus on cost rationalisation and improving work flow processes, manpower utilisation and information technology applications to increase productivity, efficiency and lower operating costs.

The Group will continue to explore suitable opportunities to expand its network of F&B outlets and business through the opening of new outlets, acquisitions, joint ventures or strategic alliances with partners who can strengthen its market position and value add to its existing business.

Leveraging on its 3 years of operational success in Shanghai, PRC, the Group intends to expand its brands to other major Chinese cities. In addition, the Group will be pursuing franchising opportunities to diversify and grow its business offerings.

Barring any unforeseen circumstances, the Group expects to continue to grow its business and remain profitable for FY2017.

About JUMBO Group Limited

JUMBO is one of Singapore's leading multi-dining concept F&B establishments.

The Group's network of F&B outlets (including those of its associated companies and those under licensing arrangements) spans Singapore, PRC and Japan. JUMBO also provides catering services for customers in Singapore, and sells packaged sauces and spice mixes for some of its signature dishes in its outlets, selected stores, supermarkets, travel agencies and online via the JUMBO eShop.

Fulfilling its philosophy of "Bonding People Through Food", JUMBO has a total of 15 F&B outlets in Singapore and 3 F&B outlets in the PRC, under 5 restaurant brands – *JUMBO Seafood, JPOT, NG AH SIO Bak Kut Teh, Chui Huay Lim Teochew Cuisine* and *J Café*. It also manages 1 *Singapore Seafood Republic* outlet.

The Group also has a Central Kitchen in Singapore to maintain stringent quality standards and the consistency in the tastes of its signature dishes, increase

productivity and lower costs. JUMBO's Research and Development Kitchen facilitates the creation of new dishes and improvement of food preparation processes.

The Group has received many awards, accolades and notable mentions in prestigious publications for the high quality of food and service offered by the Group's F&B brands.

Some of the Group's more recent awards and accolades include the *Excellent Service Award (2012 to 2016)*, *SIAS 17th Investors' Choice Awards – Winner of Most*

Transparent Company Award for New Issues (2016), *Singapore Business Awards – The Enterprise Award (2016)*, *Singapore Corporate Awards – Best Investor Relations*

Merit Award for First-Year Listed Companies (2016), *People Excellence Award (2015)*, *HRM Awards – SME Employer of the Year (2015)*, *Influential Brands Award – Top Brand for Seafood Category (2015)*, *Singapore SME 1000 Company (2015)*, *Singapore Prestige Brand Award – Established Brand Category (2012)* and *Heritage Category (2012)*, and the *Enterprise 50 Award (7th place in 2012 and 2nd place in 2015)*.

JUMBO Seafood was also featured amongst the "Top 50 most iconic places in Singapore to visit" list compiled by TripAdvisor in 2015 in conjunction with SG50 celebrations.

For more information, please visit www.jumbogroup.sg.

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25 November 2016

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