



JB Foods Limited

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FOR IMMEDIATE RELEASE

**JB Foods narrows loss before tax significantly from
USD3.23 million in 2Q2014 to USD0.27 million in 2Q2015**

- Achieved gross profit of US\$1.88 million compared to gross loss of US\$1.57 million in 2Q 2014

Financial highlights for 2Q 2015

US\$'000	2Q 2015	Restated ¹ 2Q 2014	+ / (-) %
Revenue	42,219	55,266	(23.6)
Cost of Sales	(40,344)	(56,837)	29.0
Gross Profit/(Loss)	1,875	(1,571)	n.m.
Loss before tax	(271)	(3,226)	91.6
Loss attributable to owners of the parent	(375)	(3,140)	88.1

n.m. – not meaningful

1. Included the results of PT Jebe Koko based on pooling of interest method of accounting

SINGAPORE, 14 May 2015 – Mainboard-listed **JB Foods Limited** (“**JB Foods**” together with its subsidiaries, the “**Group**”), a major cocoa ingredient producer in Asia, principally engaged in the production and sale of cocoa powder, cocoa butter, cocoa liquor and cocoa cake, today reported a 91.6% reduction in loss before tax to US\$0.27 million for the second quarter ended 30 June 2015 (“**2Q 2015**”), from a loss before tax of US\$3.23 million for the same period last year (“**2Q 2014**”).

With this latest quarter’s results, the Group has recorded two consecutive quarters of narrowing losses, when compared to corresponding period last year. This is an encouraging development in the Group’s effort to turnaround the business, in spite of the persistent challenging conditions in the cocoa processing industry.

Mr Tey How Keong (郑好强), Chief Executive Officer of JB Foods said, “Building on the improved performance we had in the first half of 2015, we will continue to diligently execute our business strategies and actions to further enhance our business performance in order to turn this business around.”

With the completion of the acquisition of PT JeBe Koko in April 2015, the Group now owns two complementary cocoa processing operations in Malaysia and Indonesia, further cementing the Group's position as a major cocoa ingredients producer which can better serves the needs of our multi-national key customers such as Mars, Mondelēz, Nestlé and Hershey's.

Market Conditions

Cocoa grinders in Europe, North America and Asia had in aggregate continued to slow down their cocoa processing in first half of 2015 vs corresponding period in 2014. The processing margins and market demand for cocoa and chocolate continue to remain weak. In addition, cocoa bean prices remain high and volatile due to weather effect of El Nino.

The cocoa processing industry had experienced more than 2 years of depressed processing margins and the situation has not normalized. We will continue to adjust and execute our business strategies to take advantage of opportunities, in preparation for the eventual upturn in the industry.

Mr Tey, further added that, "In view of the continuing volatile market conditions, we will stay vigilant and manage our business risks appropriately."

About JB Foods Limited

Established since the 1980s, JB Foods is a major cocoa ingredients producer with operations in Malaysia and Indonesia with a production capacity of 145,000 tonnes of cocoa bean equivalent per year. We are principally engaged in the production and sale of cocoa ingredient products, namely cocoa butter, cocoa powder, cocoa liquor and cocoa cake, which are used to produce chocolate, chocolate confectionary, as well as cocoa-related food and beverages. Our products are sold primarily under the "JBCOCHA" brand name and we export our products worldwide to customers ranging from international trade houses to end users.
