

FOR IMMEDIATE RELEASE

JB Foods achieves EBITDA of USD11.2 million in 12M2016, a growth of 28.8% year-on-year

- *Revenue increased significantly by 32.7% year-on-year supported by strong customer demand*
- *EBITDA and profit increase driven by combination of higher sales volume and better processing margin*
- *Propose a final dividend of 0.50 Singapore cents per share*

Financial Highlights for 4Q2016 and 12M2016

| USD'000 | 4Q2016 | 4Q2015 | + / (-) % | 12M2016 | 12M2015 | + / (-) % |
|-------------------|--------|--------|-----------|---------|---------|-----------|
| Revenue | 80,969 | 79,340 | 2.1 | 300,564 | 226,535 | 32.7 |
| EBITDA | 3,491 | 3,905 | 10.6 | 11,248 | 8,731 | 28.8 |
| Profit before tax | 1,714 | 2,433 | (29.6) | 4,386 | 2,440 | 79.7 |

Business Performance

SINGAPORE, 28 Feb 2017 – Mainboard-listed **JB Foods Limited** (“**JB Foods**” together with its subsidiaries, the “**Group**”), a major cocoa ingredient producer in Asia, is pleased to announce a profit before tax of USD1.7 million for the fourth quarter ended 31 December 2016 (“**4Q2016**”) and profit before tax of USD4.4 million for the twelve months ended 31 December 2016 (“**12M2016**”), driven by a combination of higher sales volume and better processing margin.

The Group’s revenue also increased significantly by 32.7% year-on-year in 12M2016, such increase in revenue being attributable to stronger customer demand and higher average selling price to the Group’s customers, a positive result of the Group’s sustained effort to expand its business with its existing customers and to acquire new customers, especially in the cocoa powder segment.

Mr Tey How Keong (郑好强), Chief Executive Officer of JB Foods said, “Our performance in 2016 reflected the successful execution of our on-going strategy to drive higher sales volume, increase efficiency and cost-cutting. We are extremely pleased to see the outcome of our efforts. Notwithstanding this positive trend, we are aware of the fragility of the world economy, we will continue to manage our business risks, and still target to grow our business profitably.”

Financial Position

As at 31 December 2016, the Group maintains a robust balance sheet with shareholders’ equity at USD73.9 million, translating to NAV of USD0.33 (about S\$0.46) per share. For 12M2016, the Group generated an EBITDA of USD11.2 million vs USD8.7 million in 12M2015.

Dividend

The Group is proposing a final dividend of 0.50 Singapore cents per share for the financial year ended 31 December 2016.

Market Outlook

The Group’s financial and business position has made steady improvements in the last few quarters and the Group is cautiously optimistic for the year 2017. Heightened uncertainties in global economic growth and increased volatility in equities and cocoa bean markets may pose as potential headwinds to the Group’s business performance. The Group continues to adopt a conservative and prudent stance and remain confident in its long-term growth prospects.

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.
