

FOR IMMEDIATE RELEASE

JB Foods achieves business turnaround with profit before tax of USD2.4m for Full Year 2015

- *Achieved two consecutive quarters of growing profitability to reach USD3.3 million in 2H 2015, on the back of increased cocoa ingredients' demand and better processing margins*

Financial highlights for 4Q 2015 and FY 2015

USD'000	4Q 2015	Restated ¹ 4Q 2014	+/(-) %	FY 2015	Restated ¹ FY 2014	+/(-) %
Revenue	79,340	54,226	46.3	226,535	218,691	3.6
Gross Profit/(Loss)	5,341	427	1,150.8	11,699	(2,314)	n.m.
Profit/(loss) before tax	2,433	(4,285)	n.m.	2,440	(12,696)	n.m.

n.m. – not meaningful

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

Business Performance

SINGAPORE, 25 Feb 2016 – 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, is pleased to announce a profit before tax of USD2.4 million for the fourth quarter ended 31 Dec 2015 (“**4Q 2015**”), from a net loss before tax of USD4.3 million for the same period last year (“**4Q 2014**”).

For the full year 2015, the group achieved a profit before tax of USD2.4 million, a commendable effort in its business turnaround to restore profitability.

Mr Tey How Keong (郑好强), Chief Executive Officer of JB Foods said, “With the encouraging results we had achieved in 4Q 2015 following a profitable 3Q 2015, it further strengthens our Group’s position that we are on the right track in our strategies and business execution. We will strive to maintain this positive business momentum to build growth and profitability in the coming year.”

The Group experienced stronger demand and better processing margin for its cocoa products in 4Q 2015, and these factors enabled the Group to achieve the improved profit in 4Q 2015.

Financial Position

The Group's financial position continues to improve, driven by increased profitability and cashflow. As at 31 Dec 2015, the Group's NAV stands at USD0.31 per share and net gearing is at 1.17 times. Also, for the full year 2015, the Group generated USD9.2 million in positive operating cashflow.

Market Outlook

Notwithstanding the improved sets of operating results in the second half 2015, the Group still maintain a cautious outlook for the next 12 months. The Group expects the high trading volatility in the cocoa bean terminal markets to persist in the months ahead, in line with the heightened uncertainties in global economic growth, equity markets and commodities markets. While we believe cocoa and chocolate consumption is resilient, it may face some negative impact on the end demand for our cocoa products if global economies deteriorate further.

In view of the risks and potentially weaker macro-economic environment in 2016, the Group will continue to adopt a conservative and prudent stance, but we will remain focused on executing our business strategy to achieve our growth and profitability targets.

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 "JBCOCOA" brand name and we export our products worldwide to customers ranging from international trade houses to end users.
