



EMBARGOED TILL THURSDAY, 31 MARCH 2016, 8.00 PM

**SINGAPORE BUSINESS AWARDS 2016
THE ENTERPRISE AWARD 2015**

JUMBO GROUP LIMITED

From modest beginnings to a household name

Jumbo's humble beginnings can be traced back to 1987 with its first restaurant at the highly popular East Coast Seafood Centre. Jumbo, widely regarded as a homegrown Singapore-style seafood restaurant, has since grown exponentially to its current portfolio of 17 restaurants across seven distinct brands, with a geographical footprint that spans Singapore to Shanghai.

And what's the recipe, or ingredients in Jumbo's success? What makes it a highly respected and easily recognised brand that it is today?

Jumbo's corporate DNA is defined by its pioneering spirit - its sense of innovation, of pushing the envelope, of always being ahead of the curve. It is with a sense of foresight that Jumbo anticipated the need to expand its portfolio of brands, to develop new F&B concepts, and cater to varied lifestyle and culinary preferences. This was achieved through organic means, as well as supported by inorganic growth via the acquisition of other well-known F&B brands.

Cornerstones of Jumbo's success

At the heart of Jumbo's ethos are three critical success factors:

- A relentless commitment to high quality food, and consistency in taste
- Investments in IT for increased efficiency and productivity

- A people-centric philosophy which leads to an emphasis in human capital and talent management

High Quality and Consistent-Tasting Food

In the F&B world, what makes customers come back repeatedly is the quality and consistency in the taste of food - The *Jumbo Chilli Crab* at its East Coast and Riverside outlets should taste the same as a restaurant outlet in Shanghai. The taste has to be consistent, as is the quality of freshness of the crabs.

A 10,000 sq ft Central Kitchen, set up since 2008, makes this possible. The Central Kitchen prepares sauces and marinades, processes fresh food ingredients and prepares semi-finished food products.

The Central Kitchen ensures a high standard of consistency in the food across all dining brands, and also enables kitchens at restaurants to be reduced by up to 33 per cent, thereby freeing up space and increasing seating capacity by up to 15 per cent.

Centralising certain parts of the food production processes also lowers Jumbo's operating and labour costs, as well as improves productivity.

Sited at the same premises is the Company's Research and Development Kitchen – where new dishes are created and food preparation processes are further honed – all in the name of improving the menus and ensuring greater consistency in food quality.

IT Matters!

Over the years, Jumbo has made significant investments in IT, laying a bedrock foundation for the business to be scalable, thereby driving growth on a sustainable basis.

The return on these investments is multi-pronged as it enabled Jumbo to:

- Monitor its business more effectively
- Optimise operational efficiency
- Be highly responsive to customers' needs
- Lower operating costs

Jumbo has not rested on its laurels. It is currently in the midst of implementing an Enterprise Resource Planning (ERP) system with enhanced features and capabilities which will enable the Company to increase efficiency by monitoring its business, costs and sales in real-time, such as getting a P&L statement of a particular restaurant on a real-time basis.

Further, the ERP system allowed Jumbo to control and analyse various aspects of its operations such as procurement, inventories and HR requirements across the outlets.

Jumbo also leveraged on a Point of Sales (POS) system, as well as a reservation and queue management system to maximise operational efficiency.

Human Capital & Talent Management

Jumbo puts people at the heart of its business. It embraces a people-centric philosophy, with the strong belief that taking care of employees' well-being will in turn ensure that customers are well taken care of.

This mantra has served the Company well, and till today, human capital continues to be one of Jumbo's key priorities. A wide range of innovative and progressive people practices have been put in place to enhance Jumbo's hiring and retention practices.

Jumbo places priority in training and retaining its staff, with over 100 staff members having been with the company for more than 10 years. During the SARS outbreak, when business was poor, staff were offered the option of taking pay cuts instead of being retrenched.

The staff are given autonomy in their job scopes, and this "consultative leadership" style has resulted in a rise in the number of Singapore staff under the quota system. The Jumbo Group is also accredited by the Singapore Workforce Development Authority and the Institute of Technical Education to conduct and develop training courses.

It has run over 40 courses which are open to all staff and external parties, with courses ranging from language and service courses to Jumbo's own LEAD programme for training middle management. Service staff at Jumbo who show leadership potential are shortlisted for a fast-track programme where they will be trained for 18 months as supervisors.

Restaurant staff are provided three meals a day and participate in a free day tour around Singapore on their off-days, allowing interaction with colleagues from different outlets. Its foreign workers are provided with comfortable, low-cost fully-furnished accommodation with wireless Internet and air-conditioning. Jumbo also pays for the utility bills and having domestic helpers to clean the apartments. Casual workers are also provided with bonus payouts and CPF contributions.

Jumbo's HR practices are widely seen to be exemplary not only by industry peers, but highly regarded by human resource institutions and government agencies as well.

Jumbo – a homegrown name with global appeal

Today, Jumbo is one of Singapore's leading multi-dining concept F&B establishments, and is the only restaurant featured among the "Top 50 most iconic places in Singapore to visit" list compiled by TripAdvisor.

Jumbo serves more than 1.6 tonnes of crabs each day, reaching out to more than 6,800 diners daily, and has a staff strength of 940 employees. Jumbo currently has a Jumbo Rewards customer loyalty programme with a base of 48,000 customers. The Group turned in a net profit of S\$14.3 million on the back of S\$122.8 million in revenue for FY2015.

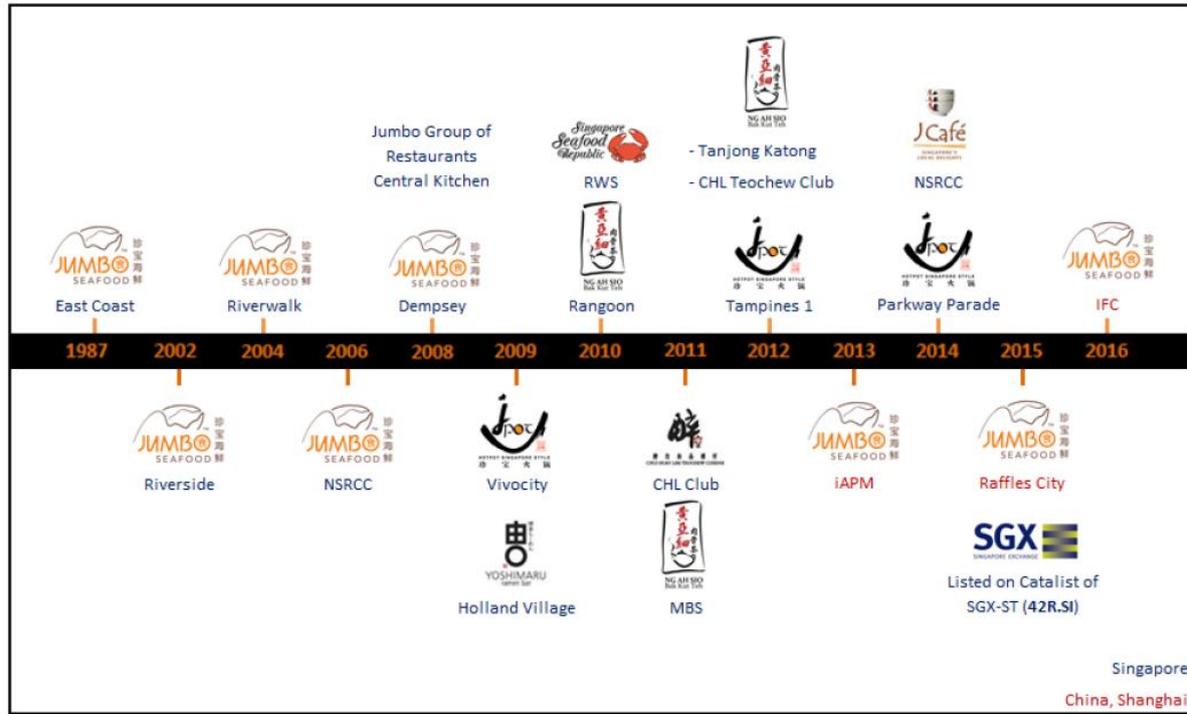
Today, the Group has a total of 17 restaurants in Singapore and Shanghai and seven restaurant brands under its portfolio. All its brands are established names and enjoy strong brand equity:

- JUMBO Seafood
- JPOT
- NG AH SIO Bak Kut Teh
- Chui Huay Lim Teochew Cuisine
- J Café
- Singapore Seafood Republic
- YOSHIMARU ramen bar

In November 2013, Jumbo set up its first Jumbo Seafood restaurant (iAPM) in Shanghai, China. This was followed by a second restaurant (Raffles City Shanghai) in August 2015, and a third (IFC Shanghai) in January 2016.

Jumbo also has a catering arm in Singapore. It also retails and distributes packaged sauces and spices through various retail channels.

Chart 1: JUMBO's Milestones



Jumbo Seafood

Started in 1987, the Jumbo Seafood chain of restaurants serves a wide variety of seafood cuisine prepared in classic Singapore and Hong Kong styles. Our signature dishes include our *Jumbo Chilli Crab*, *Jumbo Black Pepper Crab*, *Salted Egg Golden Prawns* and *Crispy Baby Squids*.

There are five Jumbo Seafood outlets in Singapore and three in Shanghai, the PRC.

JPOt

JPOt was conceived in 2009 to provide a fresh take on traditional hotpot dining where customers can choose from a range of Singapore-style hotpot soup bases, such as Laksa, Silky Porridge and Bak Kut Teh, served in individual pots for each customer. JPOt also offers a wide variety of fresh ingredients including live seafood, meat and poultry. Each JPOt restaurant also provides a complimentary condiments bar offering a wide selection of sauces and seasoning ingredients, for customers to create their own sauce mix.

There are three JPOt outlets in Singapore.

NG AH SIO Bak Kut Teh

Established in 1955, NG AH SIO Bak Kut Teh serves a Singapore Teochew delicacy known as “white pepper” *bak kut teh*, prepared using fresh pork ribs, roasted white pepper, garlic and a secret blend of herbs.

There are four outlets in Singapore including our flagship Rangoon Road outlet.

Chui Huay Lim Teochew Cuisine

Inspired by the legacy of Teochew cuisine in Singapore, Chui Huay Lim Teochew Cuisine was set up in 2011 to offer diners authentic Teochew cuisine. Signature dishes include *Teochew Cold Crab*, *Deep Fried Traditional Teochew Liver Rolls*, *Teochew Style Steamed Pomfret* and *Teochew ‘Puning’ Fermented Bean Chicken*.

There is one outlet at the Chui Huay Lim Club at Newton, Singapore.

J Café

J Café is our latest dining concept and was launched in 2014. *J Café* serves popular Singapore street food in a casual and informal setting. Our menu includes classic Singapore hawker favourites such as *Hainanese Chicken Rice*, *Mee Rebus*, *Prawn Mee Soup*, *Curry Chicken Noodles*, and desserts, such as *Chendol* and *Gula Melaka*.

There is one outlet in Singapore, located at the NSRCC clubhouse.

Singapore Seafood Republic

The Singapore Seafood Republic chain of restaurants serves authentic Singapore-style seafood cuisine, offering a variety of signature dishes from Jumbo Seafood, as well as from three other Singapore’s best-loved seafood restaurant brands. Some of its signature dishes include the award-winning *Chilli Crab* and *Salted Egg Golden Prawns*. Singapore Seafood Republic is also known for its *Dragon Fruit Lobster Salad with Lumpfish Caviar*, *Tom Yum Seafood Soup*, *Black Pepper Crab*, *Coco Lobo* (stewed lobster served in creamy broth), *Steamed Bamboo Clams with Minced Garlic*, *Live Red Tilapia Deep Fried With Nonya Sauce*, *Fried Prawns With Cereal*, *Deep Fried Scallop Wrapped In Yam Ring*, *Crispy Baby Squid* and *Cheese Baked Mentaiko King Prawn*.

There is one Singapore Seafood Republic outlet in Singapore and three in Japan, located in Tokyo and Osaka.

YOSHIMARU ramen bar

YOSHIMARU ramen bar is known for serving traditional *hakata* ramen, which originates from Hakata, Fukuoka prefecture, Japan. *Hakata* ramen is a distinctive thin ramen with a firm texture, served in a rich pork bone broth.

There is one outlet in Singapore at Holland Village.

Winning Recipe for a Chilli Hot IPO

On 28 October 2015, Jumbo launched its initial public offering. This attracted Heliconia Capital Management, an investment arm of Temasek Holdings, and Mr Ron Sim as cornerstone investors for its initial public offering (IPO).

Heliconia Capital Management Pte invested S\$10 million, while Ron Sim bought S\$8 million of Jumbo shares.

Jumbo raised gross proceeds of about S\$40 million from its IPO by selling shares at a fixed price of 25 Singapore cents apiece. Based on the IPO price, Jumbo had a market capitalisation of approximately S\$160.3 million.

Jumbo's IPO received strong demand and was subscribed 8.0 times. It was one of the best performing IPOs and amongst the most sought-after for 2015. Jumbo's share price rose 58.0% to reach an intra-day high of S\$0.395 on its first trading day. Jumbo shares have sustained its momentum, rising to a high of 48.5 cents in March 2016, almost double its IPO price. Jumbo continues to perform above its IPO price post-listing.

Today, Jumbo receives many requests for meetings with analysts, fund managers and financial institutions and to participate at investment seminars and conferences.

Jumbo resonates strongly as a solid investment and its shares are substantially traded on SGX, with good liquidity. Jumbo's shares have turned in a strong performance and remains top-of-mind for investors. The Group has delivered on its growth plans and financials, and stands on the cusp of bigger successes to come.

Strategies and Growth Plans

Jumbo's growth plans include opening another three restaurants in Singapore and China by end-2017. Shanghai presents good growth potential in view that its population size is five times that of Singapore; there is growing affluence with an expanding middle-class base; and a population that is cosmopolitan in outlook and adventurous in culinary pursuits. Spending per head at its Shanghai restaurant is

S\$70, compared to S\$50-60 per head in Singapore. Furthermore, labour and rental costs in China are relatively cheaper, allowing extra margins for the business.

Besides China, Jumbo is exploring markets such as South Korea, Hong Kong, the US and Europe if suitable opportunities present themselves. With Singapore's status as a food capital, it is Jumbo's plan to bring Singapore's food culture into the region, and to the world.

Jumbo also looks towards expanding its business through acquisitions, joint ventures or strategic alliances with partners that can strengthen the Group's market position or which enable Jumbo to expand into new businesses.

Additionally, the Group is on the look-out to acquire new premises for its corporate headquarters, Central Kitchen and R&D Kitchen to cater for future growth.

Awards and Accolades

To date, Jumbo has received numerous awards, accolades and notable mentions for its corporate stewardship, high food quality and service offered by its F&B brands.

These honours include:

- Enterprise 50 Awards (2nd place in 2015, 7th place in 2012)
- SPRING Singapore People Excellence Award (Winner)
- HRM Awards – SME Employer of the Year (2015)
- Influential Brands Award – Top Brand for Seafood Category (2015)
- Excellent Service Award (2012 – 2015)