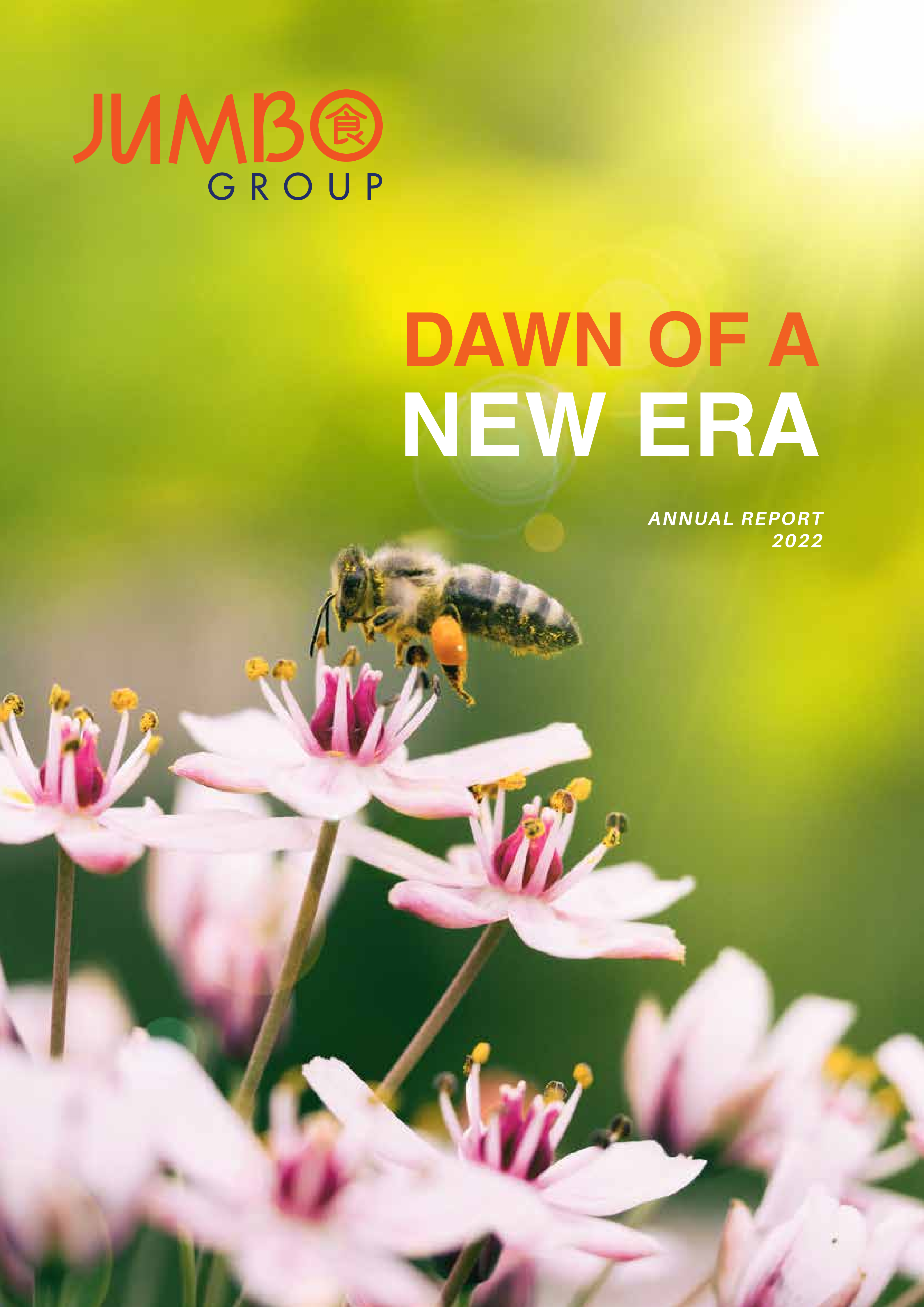
JUMBO GROUP

DAWN OF A NEW ERA

ANNUAL REPORT 2022



RECHARGED...

During the last three years of volatility, we continue to lay down the foundation to meet the challenges of a new world. We encourage our people to embrace technology, training, development and talent acquisition to meet these challenges.

TABLE OF CONTENTS

This annual report has been prepared by JUMBO Group Limited (the "Company") and has been reviewed by the Company's sponsor, United Overseas Bank Limited (the "Sponsor"), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This annual report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

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CORPORATE **PROFILE**

JUMBO is one of Singapore's leading multi-dining concept F&B establishments. It has a portfolio of 11 F&B brands – JUMBO Signatures, JUMBO Seafood, Zui Teochew Cuisine, NG AH SIO Bak Kut Teh, Chao Ting Pao Fan, Kok Kee Wonton Noodle, HACK IT and XINYAO Hainanese Chicken Rice; operates 3 Tsui Wah Hong Kong-style "Cha Chaan Teng" outlets as a franchisee in Singapore and co-owns the Singapore Seafood Republic brand which has 3 outlets, operating under the franchise model in Japan. It also has a joint venture which operates a "Lau Lim Mee Pok" stall in Singapore.

The opening of JUMBO's first outlet at East Coast Seafood Centre in 1987 marked its humble beginning. JUMBO strived to fulfil its philosophy of "Bonding People Through Food", operating 46 F&B outlets (including those of its associated companies and those under licensing arrangements) in 14 cities in Asia – Singapore, Shanghai, Beijing, Xi'an, Fuzhou, Xiamen, Seoul, Taipei, Ho Chi Minh City, Hanoi, Bangkok, Phnom Penh, Tokyo, and Osaka.

JUMBO's lifestyle brand, Love, Afare, has a range of products comprising packaged sauces and spice mixes for its signature dishes, snacks, tea and merchandise that are representative of Singapore's authentic food flavours and culture. Through Love, Afare, JUMBO plans to enhance its accessibility, enabling customers around the world to relish in its signature flavours and recreate fond memories forged at JUMBO.

To uphold the consistency and quality of their signature dishes, JUMBO established its Central Kitchen in 2008. Since then, JUMBO is able to increase its productivity and lower cost via centralised production and standardisation of operation processes. Moreover, the Research and Development Kitchen, housed within the Central Kitchen, facilitates the creation of new dishes and improvement of food preparation processes.

Over the last 35 years, JUMBO has continually focused on serving delectable food coupled with quality services and this has led to many awards, accolades and notable mentions in prestigious publications. JUMBO Seafood was awarded the Best Taste of Singapore Award by Singapore Tatler in 2022, 2021 and 2020, Food Choice Awards 2020 by Klook, Diners' Choice 2020 – Restaurant of the Year (Runner-up) and Superbrands Award (Singapore's Choice) in 2019. JUMBO Seafood outlet at Riverside Point received the Diners' Choice 2021 – Singapore River Signatures awards. The Tasty Singapore Brand Ambassadors 2020/2021/2022 award was another significant accolade for JUMBO Seafood and NG AH SIO Bak Kut Teh.

JUMBO's signature Chilli Crab was highlighted by Lifestyle Asia as one of the best in Singapore in 2020. Separately, well-known Straits Times food critic, Wong Ah Yoke recommended JUMBO Seafood retail sambal sauce as one of the Top 5 sambal sauces fit for a queen. Packaged sauces and spice mixes of JUMBO Seafood and NG AH SIO Bak Kut Teh signature dishes were awarded the "Made With Passion" mark in November 2020 – under a national initiative that celebrates local brands who bring to life the Singapore spirit of turning possibilities into reality.

Overseas, JUMBO Seafood was conferred the China Feast Restaurant Awards 2019/2020 – Best Asian Restaurant, Recommended Restaurants in 2020 by MEISHIGONGLUE, The Best Asian Cuisine Restaurant (2020) by GANLANHUABAO, Outstanding Southeast Asian Restaurant of the Year (2020) by that's shanghai, Best Seafood Restaurant 2020 by Shanghai WOW and 2020 Favourite Seafood by Chope. NG AH SIO Bak Kut Teh was awarded 2020 Shanghai Must Eat Southeast Asian Restaurants by POP SHANGHAI.

In franchising, JUMBO Seafood won the Franchising and Licensing Awards (FLA Awards) 2022 – International Franchisor of the Year and Franchisor of the Year. NG AH SIO Bak Kut Teh won the Promising Franchisor of the Year and the Innovation Business award. In addition, Jumbo received the Excellent Service Award from 2008 to 2019 and 5S Excellence Award by Restaurant Association of Singapore in 2018.

The feather in the cap in 2021 was the endorsement of its human resources processes, where JUMBO was recognized by The Straits Times as one of Singapore's Top 20 Best Employers 2021, the first among restaurants in Singapore. Notably, JUMBO was mentioned during the 2019 National Day Rally speech by Prime Minister Lee Hsien Loong as an example of success in training and development of local talent leading to growth and global expansion of local companies.

RESTART, REDEFINE

It is essential that we double down on our efforts to endeavour organisational and operational readiness, efficiency and productivity. It is certainly the Dawn of A New Era.

JUMBO GROUP OF **RESTAURANTS**

The Best of Jumbo's Flavours

JUMBO Signatures 珍宝经典

jumbosignatures
jumbosignatures
www.jumbosignatures.com.sg

The Big Name in Seafood

JUMBO SEAFOOD 珍宝海鲜

jumboseafood
jumboseafoodsg
www.jumboseafood.com.sg
order.jumboseafood.com.sg

JUMBO GROUP OF RESTAURANTS

Authentic Teochew Cuisine

醉花林品潮轩
CHUI HUAY LIM TEOCHEW CUISINE

醉宇轩经典潮膳
ZUI YU XUAN TEOCHEW CUISINE

zuiteochewcuisine
zuiteochewcuisine
www.zui-teochewcuisine.com
order.zui-teochewcuisine.com

Taste of Heritage

黄亞細肉骨茶
NG AH SIO
Bak Kut Teh

ngahsiobakkutteh
ngahsio_bkt
www.ngahsio.com
order.ngahsio.com

A Timeless Comfort

國記
KOK KEE
WONTON NOODLE

kokkeewontonnoodlesg
kokkeewontonnoodlesg
www.kokkeewontonnoodle.com.sg
order.kokkeewantonnoodle.com.sg

JUMBO GROUP OF **RESTAURANTS**

Teochew Gourmet Bowl

潮亭 一品泡饭

CHAO TING
Teochew Pao Fan

- zuiteochewcuisine
- zuiteochewcuisine
- www.chaoting.zui-teochewcuisine.com
- order.zui-teochewcuisine.com

Hack-liciously Fun

HACK IT

- hackitseafood
- hackitseafood
- www.hackitseafood.com.sg
- order.hackitseafood.com.sg

JUMBO GROUP OF **RESTAURANTS**

Hainanese Chicken Rice

新|肴|海|南|鸡|饭
Xinyao Hainanese Chicken Rice

www.jumbogroup.sg/Xinyao-Hainanese-Chicken-Rice

Love Life
Love Food
Love To Share

爱。食。录
LOVE, AFARE

love.afare
love.afare
www.loveafare.com.sg

The Allure of Classic Hong Kong Flavour

翠華
TSUI WAH
SINCE 1967

tsuiwahsingapore
tsuiwahsingapore
shop.tsuiwah.com

OUR PRESENCE

Serving Authentic and Quality Singapore Flavours Across 14 Cities in Asia

SINGAPORE

JUMBO SIGNATURES
- Marina Bay Sands

JUMBO SEAFOOD
- East Coast Seafood Centre
- Riverside Point
- Dempsey Hill
- ION Orchard
- Jewel Changi Airport
- The Riverwalk

NG AH SIO BAK KUT TEH
- Rangoon Road
- Chui Huay Lim Club

ZUI TEOCHEW CUISINE
- Chui Huay Lim Teochew Cuisine at Chui Huay Lim Club
- Zui Yu Xuan Teochew Cuisine at Far East Square

CHAO TING
- Far East Square

LAU LIM MEE POK
- Ang Mo Kio

HACK IT
- JUMBO Virtual Brand

KOK KEE WONTON NOODLE
- Foch Road
- The Shoppes at Marina Bay Sands
- Toa Payoh HDB Hub
- Ang Mo Kio
- Punggol
- Jurong Point
- Bedok North
- Bras Basah

TSUI WAH
- The Heeren
- Jem
- Jewel Changi Airport

SHANGHAI

JUMBO SEAFOOD
- Iapm
- IFC Mall
- L'Avenue

NG AH SIO BAK KUT TEH
- One ITC Mall

XINYAO HAINANESE CHICKEN RICE
- One ITC Mall

BEIJING

JUMBO SEAFOOD
- SKP Mall
- Universal Beijing Resort

OUR PRESENCE

FUZHOU

JUMBO SEAFOOD

- Rong Qiao The Bund

XIAMEN

JUMBO SEAFOOD

- JFC Piushang Center

XI'AN

JUMBO SEAFOOD

- SKP Mall

TAIPEI

JUMBO SEAFOOD

- Shin Kong Mitsukoshi Xinyi Place

HO CHI MINH

JUMBO SEAFOOD

- Dong Khoi
- Nguyen Dinh Chieu
- Tran Hung Dao

HANOI

JUMBO SEAFOOD

- Ngoc Khanh

BANGKOK

JUMBO SEAFOOD

- ICONSIAM
- Siam Paragon

PHNOM PENH

JUMBO SEAFOOD

- Chip Mong 271 Mega Mall

SEOUL

JUMBO SEAFOOD

- IFC Mall

TOKYO

SINGAPORE SEAFOOD REPUBLIC

- Shinagawa
- Ginza

OSAKA

SINGAPORE SEAFOOD REPUBLIC

- Daimaru Umeda

OUR MILESTONES

1987 ➔ 2019

1987

OUR BEGINNING

Flagship JUMBO Seafood Restaurant opened at East Coast Seafood Centre in Singapore

2002

START OF GROWTH

Second JUMBO outlet opened at Riverside Point

2008

SCALING UP FOR EXPANSION

Established JUMBO Central Kitchen

2010

MAIDEN M&A

Acquired NG AH SIO Bak Kut Teh ("NASBKT")

2011

VENTURING INTO AUTHENTIC TEOCHEW CUISINE

Chui Huay Lim Teochew Cuisine opened at Chui Huay Lim Club

2013

OVERSEAS EXPANSION

Flagship JUMBO Seafood restaurant opened in Shanghai

2015

GOING PUBLIC

Listed on SGX Catalist

2017

START OF FRANCHISING

First JUMBO Seafood franchise outlet opened in Ho Chi Minh City

2018

ENTRY INTO ASIA

Expansion of JUMBO Seafood outlets in Asia - Beijing, Shanghai, Xi'an, Fuzhou, Taipei, Bangkok and Ho Chi Minh City

BEING A FRANCHISEE

Brought Tsui Wah Cha Chaan Teng into Singapore

2019

GROWTH OF NASBKT BRAND

First self-managed NASBKT outlet opened in Shanghai

BIRTH OF CHAO TING

First Chao Ting Pao Fan outlet opened in Singapore

OUR MILESTONES

2020

LAUNCH OF FIRST VIRTUAL BRAND

Birth of "HACK IT" - first virtual brand which focuses solely on takeaways and deliveries

FIRST INORGANIC EXPANSION POST LISTING

Acquisition of Kok Kee Wonton Noodle in Singapore

2022

LAUNCH OF JUMBO SIGNATURES

Opening of JUMBO Signatures at Marina Bay Sands in Singapore

GROWTH OF KOK KEE WONTON NOODLE

Kok Kee Wonton Noodle opened more outlets in Singapore

OVERSEAS EXPANSION

Added more JUMBO Seafood outlets in Asia - Ho Chi Minh City, Hanoi, Phnom Penh, Bangkok, Xiamen and Seoul

LAU LIM MEE POK JOINT VENTURE

Lau Lim Mee Pok opened an outlet in Singapore

2020 2022

2021

ENTERING HEARTLANDS

Opening of Kok Kee Wonton Noodle outlets in the heartlands of Singapore

LAUNCH OF JUMBO'S LIFESTYLE BRAND, LOVE, AFARE

JUMBO rebranded its retail portfolio arm with Love, Afare

OPENING OF JUMBO SEAFOOD UNIVERSAL BEIJING RESORT

Jumbo Seafood outlet opened in Universal Beijing Resort

MESSAGE FROM CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

Dear Shareholders,

On behalf of the board of directors of the Company ("**Board**"), we are pleased to present JUMBO's annual report for the financial year ended 30 September 2022 ("**FY2022**").

Year in Review

The last three years of overcoming unprecedented challenges from COVID-19 have been undaunting, especially for the F&B industry. While the world is not out of the woods with COVID-19, we are finally sensing a change in outlook in our operations especially in Singapore where all COVID-19 measures were gradually eased through FY2022 and all dine-in restrictions were lifted in October 2022.

While our business in Singapore have certainly improved significantly in the last quarter of FY2022, we began to face supply-side challenges such as manpower shortages, supply disruptions, and increases in salaries, utilities, logistics and borrowing costs. Faced with such challenges coupled with the ongoing Russia-Ukraine war, bilateral relationship between US and PRC and the recent increase in COVID-19 cases in the PRC, it is essential that we double down on our efforts to endeavour organisational and operational readiness, efficiency and productivity. It is certainly the Dawn of A New Era.

During the last three years of volatility, we continue to lay down the foundation to meet the challenges of a new world. We encourage our people to embrace technology, training, development and talent acquisition to meet these challenges.

MESSAGE FROM CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

We are committed to grow JUMBO to new heights and **continue to explore avenues to extend the JUMBO brand globally.**

With the successful implementation of a new ERP system in Singapore in late FY2021, we are now incorporating business intelligence solutions to enable our Singapore managers to obtain faster and accurate information of our daily operations to make informed decisions in every aspect of the business from kitchen to front service to support functions such as accounts, procurement, HR, marketing, training and business development. We are now exploring to enable such business intelligence solutions to our PRC and Taiwan operations.

We continue to emphasize on the training and development of our people so that they are prepared for the New Era. We have incorporated online learning on various aspects of services and safety. Our people can now do online learning at their own time and pace.

We continue to develop and broaden our dining options to achieve a boarder customer base. In January 2022, we introduced JUMBO Signatures at The Shoppes at Marina Bay Sands. JUMBO Signatures is the culmination of the Group's various dining concepts under one roof and presented through an elevated, contemporary dining experience. JUMBO Signatures is taking diners to greater heights, combining the quintessential tastes from our classic concepts and iconic dishes, and elevating the Singapore dining experience through tasting menus and sommelier wine pairings.

MESSAGE FROM CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

Five Kok Kee Wonton Noodle outlets were added in FY2022, bringing to a total of eight Kok Kee outlets since our acquisition in FY2021 as we believe that hawker food remains deeply entrenched in the daily lives of Singaporeans. With eight Kok Kee outlets, JUMBO has certainly entrenched the brand in the local mass market segment.

On the franchise front, we added six JUMBO Seafood franchised outlets since the beginning of FY2022, bringing the number of JUMBO Seafood outlets to a total 23 in 12 cities in Asia. We will continue to work towards increasing the JUMBO Seafood footprint and bring the Singapore chilli crab experience to more people in Asia.

We are currently working with a local F&B group to open a halal seafood restaurant in 2023. We hope that this halal seafood concept will attract Muslim and non-Muslim food lovers and play a key role in their joyous occasions.

Financial Highlights

In FY2022, the Group delivered a much better set of performance largely due to the relaxation of COVID-19 measures in Singapore. The Group's revenue increased by 41.3% to $115.6 million. Revenue from our Singapore operations increased by 88.5% to $83.4 million. However, revenue from our PRC operations were negatively affected by the COVID-19 measures resulting in a decrease of 12.2% to $27.9 million.

Loss attributable to owners of the Company was $0.1 million compared to a loss of $11.8 million in FY2021. EBITDA was $19.4 million in FY2022 compared to $5.7 million in FY2021.

Dividends

Despite a strong recovery in our core market, Singapore, the Board will not be recommending any final dividend for FY2022 as liquidity will be conserved to support working capital requirements and carefully assessed growth investments and developments.

Going Forward

The further easing of community measures in late August 2022 and the subsequent lifting of vaccination-differentiated safe management measures in Singapore from October 2022, has increased the revenue potential for our Singapore operations and we are optimistic that revenue will return to pre-COVID levels in Singapore. We have already seen revenue and footfall reaching pre-COVID levels in some of our Singapore outlets in recent months.

We have also seen significant relaxation in COVID-19 measures in all our overseas market, especially the PRC. We are hopeful that business from our overseas outlets will improve in time. However, we remain mindful of our operations in the PRC which recently lifted most COVID-19 measures but is experiencing a surge in COVID-19 cases. We anticipate that it may take some time for our PRC operations to attain pre-COVID operating and financial performance. Barring any unforeseen circumstances, the Group is cautiously optimistic of a rebound in its business performance for the next 12 months.

Acknowledgement

To end off, we would like to extend our sincerest appreciations to our resolute and loyal management and staff throughout the entire COVID-19 pandemic period. It is through their utmost efforts and determination that we survive through the pandemic. To all our business partners, thank you for all your support and trust in us. And to our customers, thank you for your unwavering patronage. We promise to continue providing our signature delectable food and impeccable service to each and every one of you.

Lastly to our shareholders, thank you for your understanding and belief in the Board and management. We are committed to grow JUMBO to new heights and continue to explore avenues to extend the JUMBO brand globally.

TAN CHER LIANG
INDEPENDENT CHAIRMAN

ANG KIAM MENG
GROUP CEO AND EXECUTIVE DIRECTOR

AWARDS AND ACCOLADES

Best Taste of Singapore Award 2022

JUMBO Seafood

International Franchisor of the Year 2022

JUMBO Seafood

Best Taste of Singapore 2021/2020

JUMBO Seafood

Diners' Choice 2021 - Singapore River Signatures

JUMBO Seafood (Riverside Point)

DIANPING MUST-TRY RESTAURANT 大众点评必吃榜 2021

JUMBO Seafood (iapm)

Singapore's Top 20 Best Employers 2021

JUMBO Group of Restaurants

Tasty Singapore Brand Ambassadors 2020/2021

JUMBO Seafood and NG AH SIO Bask Kut Teh

Food Choice 2020

JUMBO Seafood

Best Seafood Restaurant 2020

JUMBO Seafood

Diners' Choice 2020 - Restaurant of the Year (Runner-up)

JUMBO Seafood

China Feast Restaurant Awards 2019/2020, Best Asian Restaurant

JUMBO Seafood

Superbrands Award (Singapore's Choice) 2019

JUMBO Seafood

FINANCIAL **HIGHLIGHTS**

FY2022 REVENUE

$115.6m

(FY2021: $81.8m)
Up 41.3% YoY

FY2022 GROSS PROFIT

$75.0m

(FY2021: $51.0m)
Up 47.1% YoY

FY2022 LATOC[1]

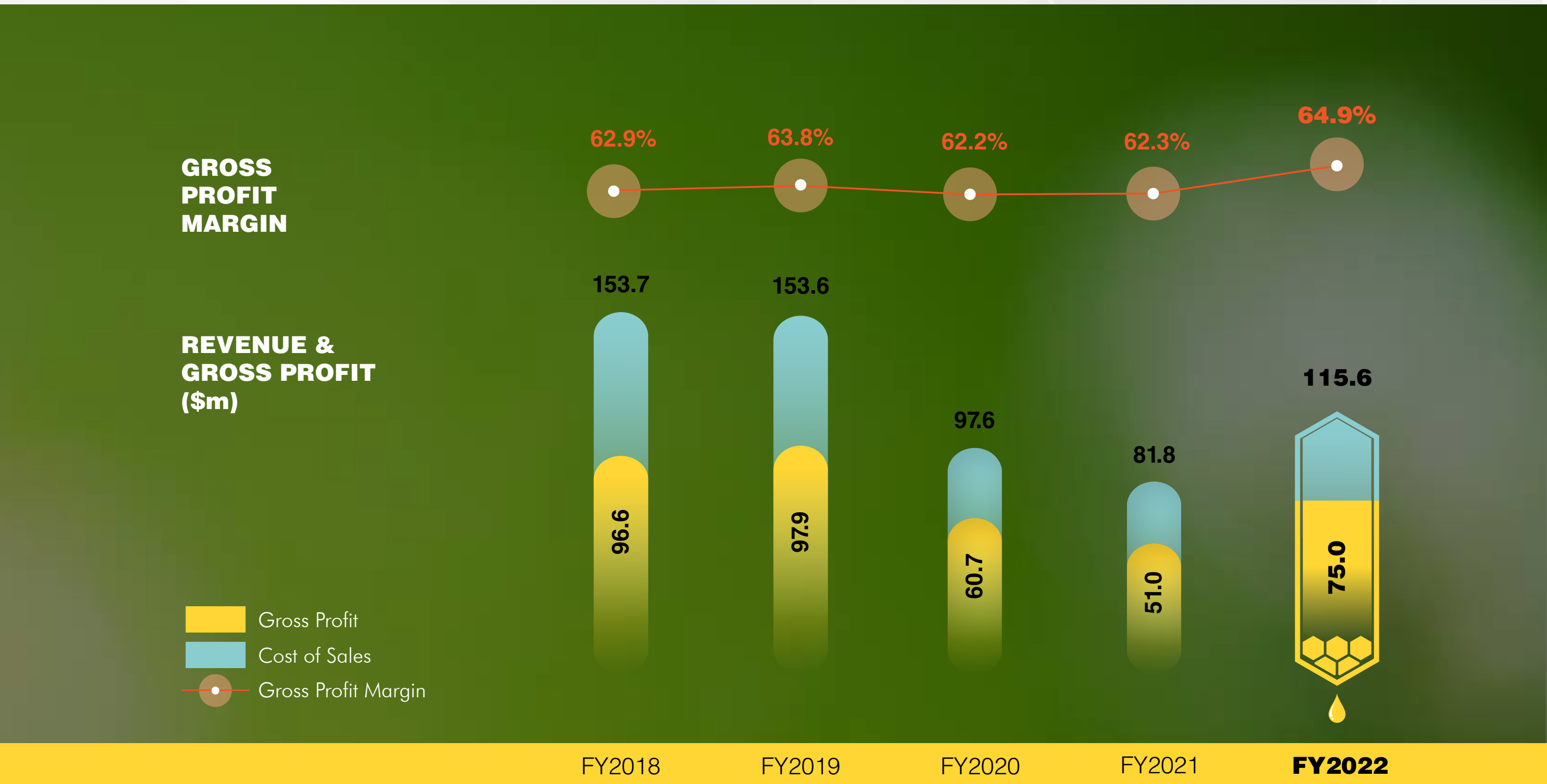
$0.1m

(FY2021: $11.8m)
Down 99.2% YoY

FY2022 EBITDA[2]

$19.4m

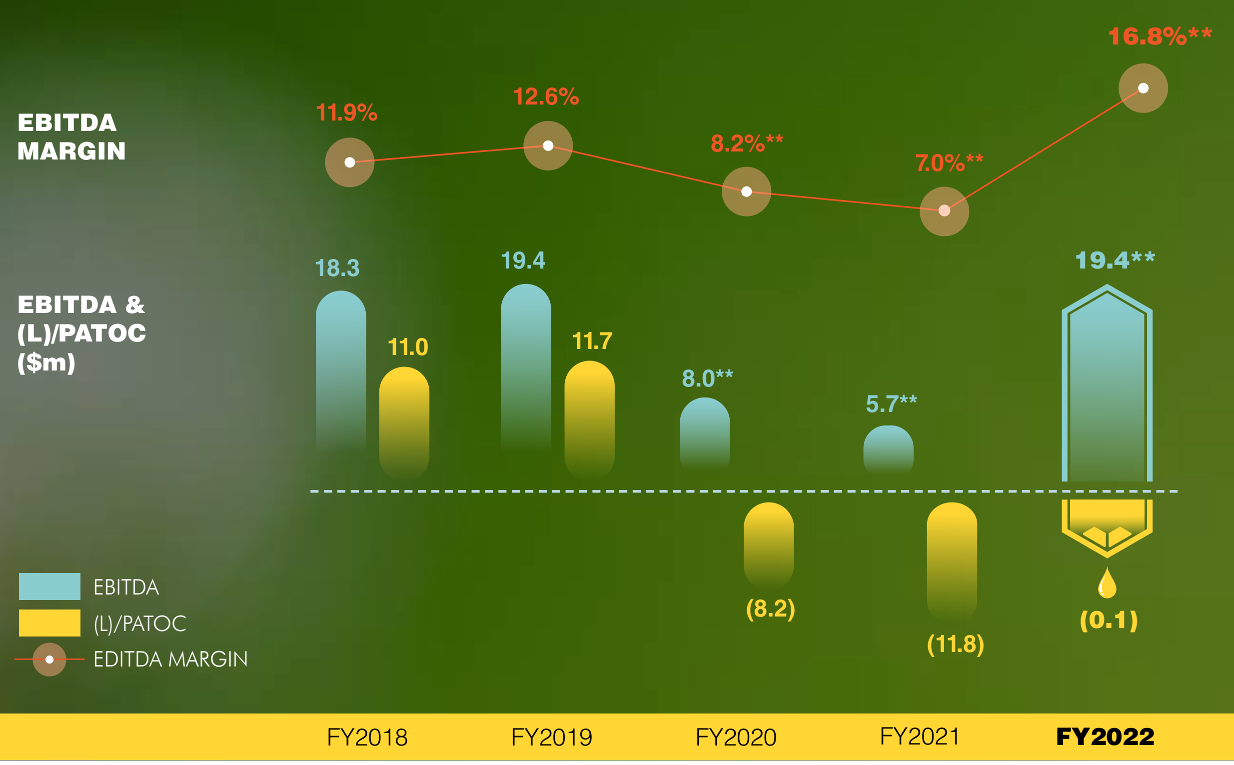
(FY2021: $5.7m)
Up 239.7% YoY



1. LATOC: Loss attributable to owners of the Company
2. EBITDA: Earnings before interest, taxes, depreciation and amortisation

FINANCIAL HIGHLIGHTS

$'000	FY2018	FY2019	FY2020	FY2021	**FY2022**
Revenue	153,690	153,631	97,573	81,790	**115,560**
Profit/(Loss) before tax	13,493	13,951	(9,974)	(14,885)	**363**
Profit/(Loss) for the year	10,617	10,855	(9,870)	(11,195)	**(336)**
Net profit/(loss) attributable to:					
Owners of the Company	11,022	11,668	(8,169)	(11,764)	**(91)**
Non-controlling interests	(405)	(813)	(1,701)	569	**(245)**
	10,617	10,855	(9,870)	(11,195)	**(336)**
Basic and diluted earnings/(loss) per share (cents)	1.7	1.8	(1.3)	(1.8)	**–***



* Less than (0.1)

** EBITDA and EBITDA margin for FY2022, FY2021 and FY2020 are not directly comparable against FY2019 and FY2018 due to the adoption of SFRS(I)16, effective from 1 October 2019

FINANCIAL HIGHLIGHTS

REVIEW OF THE GROUP'S PERFORMANCE

Revenue

Our Group's revenue increased by 41.3% or $33.8 million, from $81.8 million for the financial year ended 30 September 2021 ("FY2021") to $115.6 million for the financial year ended 30 September 2022 ("FY2022"). The increase was mainly due to an increase in revenue from our Singapore operations with the gradual easing of COVID-19 measures.

With the easing of COVID-19 measures in Singapore, revenue from our Singapore operations increased by 88.5% or $39.1 million, from $44.2 million in FY2021 to $83.4 million in FY2022.

Revenue from our PRC operations in FY2022 were negatively affected by the COVID-19 measures despite a full year revenue contribution from our new JUMBO Seafood outlet at Universal Beijing Resort. As such, revenue from our PRC operations decreased by 12.2% or $3.9 million, from $31.8 million in FY2021 to $27.9 million in FY2022.

With the closure of our Taichung JUMBO Seafood outlet in September 2021, revenue from our Taiwan operations decreased by 25.7% or $1.5 million, from $5.8 million in FY2021 to $4.3 million in FY2022.

Cost of sales

Cost of sales, which comprised raw materials and consumables, increased by 31.7% or $9.8 million, from $30.8 million in FY2021 to $40.6 million in FY2022, in line with the increase in revenue.

Gross profit

Gross profit improved to $75.0 million in FY2022, an increase of 47.1% or $24.0 million. Gross profit margin improved to 64.9% in FY2022 from 62.3% in FY2021. The increase in gross margins were largely due to increase in dine-ins and higher franchise and royalty income.

Other income

Other income decreased by 63.0% or $3.8 million, from $6.0 million in FY2021 to $2.2 million in FY2022. The decrease was primarily due to reduced grants from the Jobs Support Scheme and an increase in fair value losses on investments.

Employee benefits expenses

Employee benefits expenses increased by 5.6% or $2.0 million, from $34.9 million in FY2021 to $36.9 million in FY2022. The increase was mainly due to additional headcount in Singapore to cater to the increase in business.

Operating lease expenses

Operating lease expenses increased by $1.9 million, from $1.1 million in FY2021 to $3.0 million in FY2022. The increase was largely due to higher variable rent and short term leases.

Utilities expenses

Utilities expenses increased by 34.5% or $1.0 million, from $2.9 million in FY2021 to $3.9 million in FY2022. The increase was mainly due to higher utility usage resulting from the increase in the Singapore operations and higher utility rates from increases in oil prices globally.

Depreciation and amortisation

Depreciation expense for property, plant and equipment decreased by 13.6% or $0.9 million, from $6.8 million in FY2021 to $5.9 million in FY2022. The decrease was mainly due to higher PP&E being fully depreciated in FY2022.

Depreciation expense for right-of-use assets decreased by 6.6% or $0.8 million, from $12.7 million in FY2021 to $11.8 million in FY2022 as certain leases were renewed on short term basis.

Interest expense

Interest expense for leases remained unchanged at $1.0 million from FY2021 to FY2022.

Interest expense for loans increased by $0.2 million, from $0.2 million in FY2021 to $0.4 million in FY2022, mainly due to a higher level of temporary bridging loans drawn down for working capital purpose.

Other operating expenses

Other operating expenses increased by 20.1% or $2.4 million, from $11.8 million in FY2021 to $14.2 million in FY2022. The increase was mainly due to the increase in business in Singapore resulting from the lifting of COVID-19 measures.

Income tax (expense) credit

The $3.7 million income tax credit in FY2021 was mainly attributed to the recognition of deferred tax assets from tax losses incurred in subsidiaries. The income tax expense of $0.7 million in FY2022 was recognised mainly due to the Singapore operations returning to a taxable position.

Loss attributable to owners of the Company

As a result of the above, loss attributable to owners of the Company stood at $0.1 million for FY2022 compared to $11.8 million in FY2021. EBITDA was $19.4 million in FY2022 compared to $5.7 million in FY2021.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets increased by $6.3 million to $49.5 million as at 30 September 2022, largely due to:

i. an increase in short-term investments of $9.2 million, as the Group placed contingent funds from bank borrowings to bank managed funds, which are pending deployment to operations or investments, and excess cash to generate returns; and partially offset by
ii. a decrease in cash and cash equivalents of $3.4 million.

Non-current assets

The Group's non-current assets decreased by $1.2 million to $57.6 million as at 30 September 2022, largely due to:

i. a decrease in (a) investments at FVTPL of $0.7 million due to mark-to-market losses, and (b) net property, plant and equipment of $0.9 million; and partially offset by
ii. an increase in right-of-use assets of $1.2 million mainly due to lease renewals during the financial year.

Current liabilities

The Group's current liabilities increased by $3.1 million during the financial year to $32.8 million as at 30 September 2022 mainly due to:

i. an increase in trade and other payables of $2.6 million due to more purchases made, in line with the increase in revenue; and
ii. an increase in bank borrowings of $0.3 million for working capital purposes.

Non-current liabilities

The Group's non-current liabilities increased by $2.3 million to $27.6 million as at 30 September 2022, mainly attributed to an increase in bank borrowings of $1.0 million for working capital and long-term lease liabilities of $1.3 million mainly from new leases obtained during the financial year.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of $19.7 million for FY2022. The higher operating cashflow was predominantly due to higher revenue generated for the year. Net cash generated from operations amounted to $2.0 million due to mainly to an increase in trade and other payables of $2.6 million and partially offset by an increase in inventories of $0.4 million. Including the $1.3 million paid for interest, net cash generated from operating activities was $20.5 million for FY2022.

Net cash used in investing activities amounted to $15.5 million mainly due to:

i. acquisition of property, plant and equipment of $5.8 million, largely for the new JUMBO Signatures outlet and Kok Kee Wonton Noodle outlets in Singapore; and
ii. $9.9 million deployed to other investments to generate returns to offset interest expense on bank borrowings.

Net cash used in financing activities for FY2022 of $8.5 million was mainly for the repayment of lease obligations of $9.8 million and repayment of bank borrowings of $3.6 million, partially offset by the drawdown of temporary bridging loans amounting to $5.0 million.

As a result, cash and cash equivalents decreased by $3.4 million during the financial year to $17.0 million as at 30 September 2022.

BOARD OF DIRECTORS AND KEY MANAGEMENT

MR. TAN CHER LIANG

Independent Chairman

Mr. Tan Cher Liang is our Independent Chairman. He joined our Company as Lead Independent Director on 22 October 2015 and was redesignated as Independent Chairman on 1 February 2017. Mr. Tan was last re-elected to the Board on 29 January 2021. Mr. Tan has more than 40 years of experience in corporate advisory and general management.

Currently, he also serves on the boards of various public and private companies in Singapore including being an Independent Chairman of Vibrant Group Limited, and an Independent Director of Ezra Holdings Limited, Kingsmen Creatives Ltd, Food Empire Holdings Limited, Wilton Resources Corporation Limited and IPC Corporation Ltd. He is also a Trustee of Kwan Im Thong Hood Cho Temple and a Director of D S Lee Foundation, EtonHouse Community Fund Ltd and Children's Charities Association.

Mr. Tan is a qualified financial professional from the Association of Chartered Certified Accountants of the United Kingdom. Mr. Tan was awarded the Public Service Medal in 1996.

MR. ANG KIAM MENG

Group CEO and Executive Director

Mr. Ang Kiam Meng is our Group CEO and Executive Director. He was appointed to our Board on 4 February 2015 and was last re-elected on 17 January 2020. Mr. Ang has been serving with our Group for over 25 years. Mr. Ang is responsible for the overall management, operations, strategic planning, and business development of our Group. He has been, and continues to be, instrumental to our Group's continued success and growth. He is responsible for, *inter alia*, setting and executing our Group's vision, mission, core values and goals, driving the operational efficiency of our Group's work processes, monitoring the development and performance of our Group's business and identifying new opportunities for our Group's expansion domestically and internationally.

Prior to joining our Group, Mr. Ang worked with Singapore Technologies Electronics Limited (formerly known as Singapore Electronic & Engineering Limited) from 1986 to 1993, holding various positions such as Software Engineer and Product Manager. Mr. Ang currently also serves as Chairman of the Technology Committee and Council Member of the Singapore Chinese Chamber of Commerce & Industry, as well as Committee Member of the Restaurant Association of Singapore. Mr. Ang is currently a board director of the Chinese Development Assistance Council and Nam Hwa Opera Limited.

Mr. Ang obtained a Graduate Diploma in Business Administration from the Singapore Institute of Management in 1991 and graduated with a Bachelor of Arts (majoring in Computer Science) from the University of Texas at Austin (USA) in 1985.

BOARD OF DIRECTORS AND KEY MANAGEMENT

MDM. TAN YONG CHUAN, JACQUELINE

Executive Director

Mdm. Tan Yong Chuan, Jacqueline is our Executive Director. She was appointed to our Board on 4 February 2015 and was last re-elected on 29 January 2021. Mdm. Tan has been serving with our Group for over 25 years. Mdm. Tan has been, and continues to be, crucial to the operations of our Group, overseeing the procurement and purchasing function, merchandising and pricing strategies of our Group, and monitoring the key performance indicators for our Group, such as customer engagement and reviews. Mdm. Tan is also responsible for strategising and implementing key improvements to our Group's various processes, to continually raise our Group's standards of quality and service. Part of her portfolio includes overseeing our Group's business development and expansion activities.

Prior to joining our Group, from 1985 to 1987 and from 1989 to 1990, Mdm. Tan worked at Boulevard Hotel Singapore, a member of the Goodwood Group, holding various positions, including Personnel Manager. From 1988 to 1989, Mdm. Tan worked in the administrative department of NHS Scotland. Mdm. Tan is currently a director on the Board of Trustees of NuLife Care and Counselling Services.

Mdm. Tan obtained a Graduate Diploma in Personnel Management from the Singapore Institute of Management in 1987 and graduated with a Bachelor of Business Administration from the National University of Singapore in 1984. She also obtained a Master of Counselling degree from Monash University in 2020.

MRS. CHRISTINA KONG CHWEE HUAN

Executive Director

Mrs. Christina Kong Chwee Huan is our Executive Director. She was appointed to our Board on 22 October 2015 and was last re-elected on 28 January 2022. She oversees our Group's operations, human resource and training and development divisions, a role which she has undertaken since joining our Group as Manager of Human Resource and Corporate Affairs in 2008. She also supervises our Group's various training and development programs, strategising to ensure our Group's human resource requirements are met, and manages the employee compensation, benefits and human resource issues of our Group. Mrs. Kong has been, and continues to be, instrumental in the continued refinement and development of our Group's human resource and training and development divisions. Our Group was accredited by both the Singapore Workforce Development Agency and Singapore's Institute of Technical Education as an approved training organisation in 2008.

Mrs. Kong began her career as a purchasing executive with our Group from 1993 to 1994. Between 1995 and 2000, she provided educational services, before joining the Ministry of Education as a teacher from 2001 to 2007.

Mrs. Kong obtained a Postgraduate Diploma in Education from the Nanyang Technological University in 2004 and graduated with a Bachelor of Science from the University of Birmingham (United Kingdom) in 1991. She also obtained a Human Resource Graduate Certification from the Singapore Management University in 2014.

BOARD OF DIRECTORS AND KEY MANAGEMENT

DR. LIM BOH SOON

Independent Director

Dr. Lim Boh Soon was appointed as our Independent Director on 22 October 2015 and was last re-elected on 28 January 2022. Dr. Lim has more than 28 years of experience in the banking and finance industry in Asia. He is currently a Director of Arise Asset Management Pte. Ltd, the Lead Independent Director of OUE Limited, which is listed on the Main Board of the SGX-ST, an Independent Director of NASDAQ-listed Tomi Environmental Solutions Inc. and an Independent Director of Bursa Malaysia-listed V.S. Industry Berhad. Prior to that, Dr. Lim was the first non-Muslim CEO of Kuwait Finance House (Singapore) Pte. Ltd. from 2007 to 2010, and the first foreign CEO of Vietcombank Fund Management Company in Vietnam from 2005 to 2007. Dr. Lim was a Group Corporate Director of Autron Corporation Limited from 2002 to 2006 (concurrently when he was CEO of Vietcombank Fund Management Company). From 1996 to 1999, Dr. Lim co-headed UBS Capital Asia Pacific (S) Limited and was also a member of its Regional Investment Committee that managed the Swiss Bank proprietary large private equity funds. Prior to that, he also served in senior management positions for several large regional and global companies, including the Singapore Technologies Group and Rothschild Ventures Asia.

Dr. Lim obtained a Bachelor of Science with First Class Honours and a Doctor of Philosophy in Mechanical Engineering from the University of Strathclyde, United Kingdom, in 1981 and 1985, respectively. He also received a Graduate Diploma in Marketing Management from the Singapore Institute of Management, and a Diploma in Marketing from the Chartered Institute of Marketing, United Kingdom, in 1991. Dr. Lim is a Fellow of the Singapore Institute of Directors.

MR. RICHARD TAN KHENG SWEE

Independent Director

Mr. Richard Tan Kheng Swee is our Independent Director and was appointed to the Board on 22 October 2015 and was last re-elected on 28 January 2022.

He has more than two decades of experience in legal and commercial practice and is currently the Managing Director of Lide Legal, a Singapore law corporation. His practice includes advising and representing companies in a wide range of commercial transactions from startups to listed entities and multinational companies. Some of the typical matters he handles include asset acquisitions, initial public offerings and other fund-raising exercises, mergers and acquisitions, restructuring exercises, intellectual property advisory, corporate advisory and compliance involving both listed and private companies. Prior to Mr. Tan's current appointment, he previously managed and practised in a large Singapore law practice as well as a mid-sized Australian law practice in New South Wales.

Mr. Tan currently serves as an Independent Director of Sysma Holdings Limited which is listed on the Catalist Board of the SGX-ST.

Mr. Tan graduated with a Bachelor of Laws (Honours) from the National University of Singapore and a Bachelor of Science (Honours) from the University of Melbourne, Australia. He is an Advocate & Solicitor of the Supreme Court of Singapore, a Barrister & Solicitor of the Supreme Court of Victoria, Australia and a Solicitor of the High Court of Australia.

BOARD OF DIRECTORS AND KEY MANAGEMENT

MS. SIM YU JUAN RACHEL

Non-Executive Director

Ms. Sim Yu Juan Rachel was appointed as our Non-Executive Director on 17 February 2020 and was last re-elected on 29 January 2021. She was previously our Alternate Director to Mr. Ron Sim Chye Hock when he was a Non-Executive Director of our Company.

Ms. Sim is currently Deputy Managing Director at TWG Tea Co Pte Ltd ("TWG Tea"). She is responsible for overseeing business objectives, focusing on corporate communications, digital expansion, strategic growth and overall performance of the TWG Tea business.

Prior to her current role, Ms. Sim headed the global marketing team at TWG Tea. She helped raise its international brand profile through strategic partnerships and driving the company's global marketing strategy. She managed the TWG Tea brand's portfolio of digital marketplace brand stores and was responsible for driving growth in third party online channels. She joined the global marketing team in September 2014 as a marketing executive focusing on developing partnership and advertising campaigns.

Between November 2012 and September 2014, Ms. Sim was part of the local sales team of TWG Tea managing corporate accounts and was part of the regional sales team (North Asia) assisting with opening of new stores in Taiwan and PRC including overseeing sales in the Hong Kong market. Ms. Sim continues to support the growing North Asia team through her current role.

MR. TAY PENG HUAT

Chief Financial Officer

Mr. Tay Peng Huat was appointed our Chief Financial Officer in December 2014. He is responsible for the overall finance functions and accounting matters of our Group, including implementation of internal controls and monitoring and reporting on our Group's financial performance and overseeing the preparation of accounts and financial statements of our Group.

Mr. Tay has over 30 years of experience in finance and accounting. Prior to joining our Group, from 2002 to 2013, Mr. Tay held the post of Chief Financial Officer at Beyonics Technology Limited (a company which was listed on the Main Board of the SGX-ST until February 2012). Mr. Tay began his career with Ernst & Young Singapore in 1988 and was an Audit Manager when he left in 1996. From 1996 to 2000, he served as the Group Financial Controller of Electronic Resources Limited. Between 2000 and 2002, he held various senior positions in finance and accounting, including Deputy General Manager and Chief Financial Officer of p3.com Pte Ltd (a subsidiary of Pan Pacific Public Company Ltd), Chief Financial Officer at Ezyhealth Asia Pacific Ltd (now known as Wilmar International Limited), a company listed on the Main Board of the SGX-ST, and Finance Director of Synnex Information Technologies Inc. for its Asia Pacific operations.

Mr. Tay graduated with a Bachelor of Accountancy from the National University of Singapore in 1988. He is a Fellow Chartered Accountant of Singapore with the Institute of Singapore Chartered Accountants.

CORPORATE SOCIAL RESPONSIBILITY

At JUMBO, we firmly believe that companies should strive to contribute towards a positive impact on society, even so when times are hard. As such, JUMBO Care, our Corporate Social Responsibility ("CSR") program was created. This year, we emphasized on providing support towards:

- COVID-19 assistance and food security support programs
- Bring awareness and assistance to Persons with Disabilities ("PWDs")

Despite FY2022 being a challenging year for JUMBO, we understood that this would also bring greater hardship to Singapore's pioneer generation. As such, we sponsored necessities to residents of Tai Pei Old People's Home. These necessities consisted of daily essentials like rice, bee hoon, biscuits, cooking oil, salt, sugar, light soya sauce, ketchup, canned mushroom, groundnuts and soft drinks. Through this donation we hope to alleviate the burden on the Home in providing our seniors their basic needs.

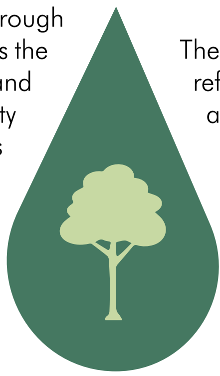
2022 marks the 10th year anniversary for Purple Parade, Singapore's largest annual movement, conceived by Central Singapore Community Development Council (Central SG CDC), to celebrate abilities of PWDs. JUMBO donated $5,000 to Central SG CDC to aid efforts to promote awareness for PWDs.

SUSTAINABILITY REPORT

JUMBO will be publishing its standalone FY2022 Sustainability Report (the "SR") by 28 February 2023, disclosing the sustainability practices and performance of JUMBO from 1 October 2021 to 30 September 2022. The SR will cover the listed entity, JUMBO Group Limited, as well as its central kitchen operations and all its outlets directly under JUMBO Group of Restaurants Pte Ltd in Singapore.

JUMBO recognizes the importance of environmental, social and governance considerations in creating value for its business and stakeholders. The SR will share information on JUMBO's sustainability governance structure, stakeholder engagement as well as materiality process and results. The SR demonstrates JUMBO's commitment to improve its sustainability efforts through disclosing how it measures the performance, manages, and monitors key sustainability risks and opportunities, as well as the goals set for the forthcoming year.

In FY2022, JUMBO continued to emphasize on the 5 sustainability focus areas identified in the previous report, namely focusing on customers, empowering our people, ensuring good governance, contributing to community and building a sustainable environment.



The SR will be prepared with reference to the GRI Standards and will comply with Rules 711A and 711B of the Catalist Rules. The SR will be publicly accessible through JUMBO's corporate website as well as SGXNET.

CORPORATE INFORMATION

Board of Directors
Mr. Tan Cher Liang
(Independent Chairman)

Mr. Ang Kiam Meng
(Group CEO and Executive Director)

Mdm. Tan Yong Chuan, Jacqueline
(Executive Director)

Mrs. Christina Kong Chwee Huan
(Executive Director)

Mr. Richard Tan Kheng Swee
(Independent Director)

Dr. Lim Boh Soon
(Independent Director)

Ms. Sim Yu Juan Rachel
(Non-Executive Director)

Audit Committee
Mr. Tan Cher Liang (Chairman)
Mr. Richard Tan Kheng Swee
Dr. Lim Boh Soon

Nominating Committee
Dr. Lim Boh Soon (Chairman)
Mr. Tan Cher Liang
Mr. Richard Tan Kheng Swee
Mr. Ang Kiam Meng

Remuneration Committee
Mr. Richard Tan Kheng Swee
(Chairman)
Mr. Tan Cher Liang
Dr. Lim Boh Soon

Investment Committee
Dr. Lim Boh Soon (Chairman)
Mr. Tan Cher Liang
Mr. Richard Tan Kheng Swee
Mr. Ang Kiam Meng

Company Secretary
Ms. Chee Yuen Li, Andrea, LLB
(Honours)

Company Registration Number
201503401Z

Registered Office
4 Kaki Bukit Avenue 1
#03-08
Singapore 417939
Tel: +65 6265 8626
Fax: +65 6749 4955
Website: www.jumbogroup.sg

Share Registrar and Share Transfer Office
Boardroom Corporate & Advisory
Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

Investor Relations
Mr. Tay Peng Huat
Chief Financial Officer
4 Kaki Bukit Avenue 1
#03-08
Singapore 417939
Tel: +65 6265 8626
Fax: +65 6749 4955
Website: http://investor.jumbogroup.sg/
Email: ir@jumbogroup.com.sg

Auditors
Deloitte & Touche LLP
6 Shenton Way
#33-00 OUE Downtown 2
Singapore 068809

Partner-in-charge:
Mr. Ang Chun Hwee Benny
(A member of the Institute of
Singapore
Chartered Accountants)
Date of appointment:
17 January 2020

Principal Bankers
DBS Bank Ltd
12 Marina Boulevard
Level 43 DBS Asia Central @MBFC
Tower 3
Singapore 018982

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

Sponsor
United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624

CORPORATE GOVERNANCE REPORT AND FINANCIAL CONTENTS

CORPORATE GOVERNANCE
REPORT

JUMBO Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is committed to achieving a high standard of corporate governance, and to complying with the Code of Corporate Governance 2018 (the "**Code**"). The Company believes that good corporate governance provides the framework for an ethical and accountable corporate environment, which will maximise long-term value for the shareholders of the Company ("**Shareholders**") and protect their interests. This report describes the Group's main corporate governance practices for the financial year ended 30 September 2022 ("**FY2022**") with specific references to the principles and provisions of the Code.

The Company is pleased to confirm that throughout FY2022, the Group has complied with the principles of the Code. Where there are deviations from the provisions of the Code, reasons and explanations on how the Company's practices adopted are consistent with the intent of the relevant principle have been provided, where appropriate.

1. BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Each Director is a fiduciary who must act objectively in the best interests of the Company and hold the Company's management ("**Management**") accountable for performance. In furtherance of this principle, the Board has adopted a code of conduct and ethics, set appropriate tone-from-the top and desired organizational culture, and ensured proper accountability within the Group. Directors are not to allow themselves to be placed in a position of real or apparent conflict of interest. Directors facing conflicts of interest must recuse themselves from discussions and decisions involving the issues of conflict.

The principal roles of the Board are to:

- provide entrepreneurial leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;
- ensure that the necessary resources are in place for the Company to meet its strategic objectives;
- establish and maintain a sound risk management system to effectively monitor and manage risks, and to achieve an appropriate balance between risks and Company performance;
- constructively challenge the Management and review its performance;
- instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture; and
- ensure transparency and accountability to key stakeholder groups.

Delegation by the Board

Board Committees, namely the Nominating Committee (the "**NC**"), the Remuneration Committee (the "**RC**"), the Audit Committee (the "**AC**") and the Investment Committee (the "**IC**"), have been constituted to assist the Board in the discharge of specific responsibilities. The duties, authorities and accountabilities of each committee are set out in their respective written terms of reference. The Board Committees report their activities regularly to the Board and minutes of the Board Committee meetings are also regularly provided to the Board. The effectiveness of each Board Committee is also constantly monitored to ensure their continued relevance. Further information on the roles and responsibilities of the NC, the RC, the AC and the IC are provided below.

Board Approval

The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters which specifically require the Board's approval are:

- annual budget;
- corporate strategy and business plans;
- major funding proposals and investments;
- the appointment and remuneration packages of the Directors and the Management;
- the Group's half-yearly and full-year financial results announcements;
- annual report and accounts for each financial year;
- material acquisitions and disposals of assets;
- share issuances, interim dividends and other returns to Shareholders; and
- matters involving a conflict of interest for a substantial Shareholder or a Director.

While matters relating to the Group's strategies and policies require the Board's direction and approval, the Management is responsible for the day-to-day operations and administration of the Group.

Board and Board Committee Meetings

The schedule of all Board and Board Committee meetings and the annual general meeting ("**AGM**") for each financial year is planned well in advance, in consultation with the Directors. The Board meets at least four (4) times a year at regular intervals and on an ad-hoc basis, as and when circumstances require. Telephonic and video-conferencing at Board and Board Committee meetings are allowed under the Company's constitution ("**Constitution**").

The number of Board and Board Committee meetings held for FY2022 as well as the attendance of each Director at these meetings is set out below:

	Board Meeting		AC Meeting		NC Meeting		RC Meeting		IC Meeting	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Mr. Tan Cher Liang	4	4	4	4	1	1	2	2	1	1
Mr. Ang Kiam Meng	4	4	4	4*	1	1	2	2*	1	1
Mdm. Tan Yong Chuan, Jacqueline	4	4	4	4*	1	–	2	–	1	–
Mrs. Christina Kong Chwee Huan	4	4	4	4*	1	–	2	–	1	–
Dr. Lim Boh Soon	4	4	4	4	1	1	2	2	1	1
Mr. Richard Tan Kheng Swee	4	4	4	3	1	1	2	2	1	1
Ms. Sim Yu Juan Rachel	4	4	4	4*	1	–	2	–	1	–

* Attendance by invitation

<u>*Board Orientation and Training*</u>

A formal letter of appointment is provided to every new Director, setting out his/her duties and obligations. A new Director will attend briefings organised by the Company to familiarise himself/herself with the Group's business, operations, structure and governance practices relating to, *inter alia*, disclosure of interests in the Company's securities, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information. For new first-time Directors who do not have prior experience as a director of a public listed company in Singapore, they will be required to attend the mandatory training within one (1) year from their appointment date as prescribed in the Catalist Rules.

All Directors are also briefed and provided with regular updates in areas such as corporate governance, commercial risks, changes to laws and regulations pertaining to the Group's business and operations, and changes in financial reporting standards, so as to enable them to properly discharge their duties as Board members.

Further, in order to provide the Independent Directors and Non-Executive Director with a better understanding of the Group's business and operations, the Company organises visits to the Group's headquarters, including its central kitchen and its various F&B outlets. The Directors can also request for further briefings or information on any aspect of the Group's business or operations from the Management.

<u>*Access to Information*</u>

The Company makes available to all Directors its management accounts and other financial statements, budgets and forecasts, together with all other relevant information. The Directors may seek detailed information from the Management regarding the management accounts and other financial statements, budgets and forecasts, where necessary. In addition, the Management provides the Directors with complete, adequate and timely information prior to the scheduled meetings and on an ongoing basis so as to enable the Directors to make informed decisions and discharge their duties and responsibilities.

The Directors have been provided with the contact details of the Management and company secretary to facilitate separate and independent access at all times, at the Company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole. The Directors may, in furtherance of their duties, take independent professional advice, if necessary, at the Company's expense.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board Composition

Currently, the Board comprises seven (7) Directors, three (3) of whom are independent, which complies with the Code's provision on the proportion of Independent Directors on the Board. The Board is constituted as follows:

Mr. Tan Cher Liang	(Independent Chairman)
Mr. Ang Kiam Meng	(Group CEO and Executive Director)
Mdm. Tan Yong Chuan, Jacqueline	(Executive Director)
Mrs. Christina Kong Chwee Huan	(Executive Director)
Dr. Lim Boh Soon	(Independent Director)
Mr. Richard Tan Kheng Swee	(Independent Director)
Ms. Sim Yu Juan Rachel	(Non-Executive Director)

As three (3) out of seven (7) members of the Board are Independent Directors, there is a strong independent element on the Board and no individual or small group of individuals dominate the Board's decision-making process. In addition, the Board has an Independent Chairman, Mr. Tan Cher Liang. The Non-Executive Directors make up a majority of the Board.

Each year, the Board reviews its size and composition, taking into account, *inter alia*, the Board Diversity Policy implemented by the Company. Key considerations in the Board Diversity Policy include the scope and nature of the Group's business and operations and the benefits of all aspects of diversity, including but not limited to gender, age, educational background and professional experience in order to provide the Board access to an appropriate range and balance of skills, knowledge, experience and backgrounds. The Board is of the view that the Directors hold core competencies such as accounting, finance and legal expertise, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge.

The Independent Directors and Non-Executive Director contribute accounting and finance knowledge, legal expertise and business management experience to the Group, and provide the Executive Directors and the Management with diverse and objective perspectives on issues considered by the Board. The Independent Directors and Non-Executive Director also aid in developing the Group's strategic process, reviewing the performance of the Management in meeting agreed goals and objectives, and monitoring the reporting of performance and operations as an appropriate check and balance. The Independent Directors and Non-Executive Director meet regularly on their own without the presence of the Executive Directors and the Management and provide feedback to the Group CEO after such meetings.

In addition, the Board places emphasis on ensuring gender representation and diversity. At present, the Board has two (2) female Executive Directors, namely Mdm. Tan Yong Chuan, Jacqueline and Mrs. Christina Kong Chwee Huan, and one (1) female Non-Executive Director, namely Ms. Sim Yu Juan Rachel.

Hence, the Board believes that its current composition and size provides an appropriate balance of skills, experience, gender and knowledge, which avoids groupthink, fosters constructive debate, and facilitates effective decision making.

Board Independence

The independence of each Director is reviewed by the NC on an annual basis. In determining whether a Director is independent, the NC has considered the guidelines set out in the Code and the Catalist Rules.

The Code has defined an "Independent" director as one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.

Under Rule 406(3)(d) of the Catalist Rules, a director will not be independent under any of the following circumstances:

- if he is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years;

- if he has an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years, and whose remuneration is or was determined by the RC.

The Directors complete an annual declaration of independence, whereby they are required to assess their independence taking into account the above requirements, which is then put to the NC for review. The Directors are also required to disclose any business relationships with the Company, its related corporations or its officers which may interfere with, the exercise of their independent business judgement in the best interests of the Company, or would otherwise deem them to be not independent. Following its annual review, the Board and the NC are of the view that Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee have at all times discharged their duties with professionalism and objectivity, and exercised strong independent judgement in the best interests of the Company, and should therefore continue to be considered Independent Directors.

For the above reasons, the Board, taking into account the NC's views, has determined Mr. Tan Cher Liang, Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee to be Independent Directors.

At present, there are no Independent Directors who has served beyond nine (9) years since the date of his first appointment.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company has a separate Chairman and Group CEO. This ensures that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The Chairman and Group CEO are not related to each other.

Mr. Tan Cher Liang is the Independent Chairman. He promotes high standards of corporate governance and leads the Board to ensure its effectiveness on all aspects of its role. As part of his administrative duties, the Independent Chairman sets the Board meeting agenda in consultation with the senior Management and the company secretary, and ensures that adequate time is available for the discussion of all agenda items and that the Directors receive complete, adequate and timely information. He also encourages constructive relations within the Board and between the Board and the Management and facilitates effective contribution of the Independent Directors and Non-Executive Director. In addition, the Independent Chairman is responsible for ensuring effective communication with Shareholders. He will also take the lead in ensuring compliance with the Code.

Mr. Ang Kiam Meng is the Group CEO and Executive Director. He is responsible for the overall management, operations, strategic planning, and business development of the Group, and ensuring a cohesive working relationship among the Directors and timeliness of information flow between the Board and the Management.

The Company does not have a lead Independent Director given that the majority of the Board is non-executive and that the Chairman is independent. Furthermore, the NC, the RC, the AC and the IC are all chaired by the Independent Directors.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

The NC is chaired by Dr. Lim Boh Soon and comprises Mr. Ang Kiam Meng, Mr. Tan Cher Liang, and Mr. Richard Tan Kheng Swee. Majority of the NC members, including the Chairman of the NC, are Independent Directors.

The NC holds at least one (1) meeting in each financial year. The principal role of the NC in accordance with its written terms of reference is as follows:

- reviewing, assessing and recommending the appointment of new Directors and the re-appointment or re-election of Directors, taking into consideration each Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each Director's respective commitment(s) outside the Group;

- determining annually, as and when circumstances require, whether or not a Director is independent;

- developing a process and criteria for evaluating the effectiveness of the Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of the Board;

- reviewing the Board structure, size and composition having regard to the scope and nature of the operations, the requirements of the business, the diversity of skills, experience, gender, knowledge of the Group and core competencies of the Directors as a group, so as to ensure that the Board is able to function competently and efficiently;

- reviewing succession plans for the Directors and key management personnel, in particular, the Group CEO and the Independent Chairman; and

- recommending to the Board the induction training programmes for new Directors and reviewing the training and professional development programmes for the Board.

The date of first appointment and date of last re-election of each Director is set out below. For the profiles of the Directors, please refer to the section entitled "Board of Directors and Key Management" of this annual report. In addition, information on each Director's shareholding in the Company, if any, is set out in the section entitled "Directors' Statement" of this annual report.

Name of Director	Date of first appointment	Date of last re-election
Mr. Tan Cher Liang	22 October 2015	29 January 2021
Mr. Ang Kiam Meng	4 February 2015	17 January 2020
Mdm. Tan Yong Chuan, Jacqueline	4 February 2015	29 January 2021
Mrs. Christina Kong Chwee Huan	22 October 2015	28 January 2022
Dr. Lim Boh Soon	22 October 2015	28 January 2022
Mr. Richard Tan Kheng Swee	22 October 2015	28 January 2022
Ms. Sim Yu Juan Rachel	17 February 2020	29 January 2021

Mr. Ang Kiam Meng, Mdm. Tan Yong Chuan, Jacqueline, and Mrs. Christina Kong Chwee Huan do not have any other public listed company board representations or other principal commitments[1].

Mr. Tan Cher Liang is the independent non-executive chairman of Vibrant Group Limited, and an independent director of Ezra Holdings Limited, Kingsmen Creatives Limited, Food Empire Holdings Limited, Wilton Resources Corporation Limited, and IPC Corporation Ltd, which are public listed companies. Mr. Tan Cher Liang is also a Trustee of Kwan Im Thong Hood Cho Temple and a director of D S Lee Foundation, EtonHouse Community Fund Ltd and Children's Charities Association.

Dr. Lim Boh Soon is the lead independent director of OUE Limited, which is listed on the Mainboard of the SGX-ST, an independent director of NASDAQ-listed Tomi Environmental Solutions Inc and Bursa Malaysia listed V.S. Industry Berhad. He is also a director of Arise Asset Management Pte Ltd, ASRI Asset Management Pte. Ltd., EpicQuant Pte. Ltd., Kairos Asia Outreach, and TML FinTech Pte. Ltd..

Mr. Richard Tan Kheng Swee is the Managing Director of LIDE Legal LLC, a Singapore law corporation. He is also an independent director of Sysma Holdings Limited which is a public listed company.

Ms. Sim Yu Juan Rachel is the deputy managing director of TWG Tea Co Pte Ltd. Ms. Sim Yu Juan Rachel does not have any other public listed company board representations or other principal commitments.

Directors' Commitments

The NC ensures that new directors are aware of their duties and obligations. The NC also considers whether each Director is able to and has been adequately carrying out his duties as a Director of the Company, taking into consideration, *inter alia*, the Director's number of public listed company board representations and other principal commitments[1]. In addition, the NC will also take into consideration, *inter alia*, a qualitative assessment of each Director's contributions as well as any other relevant time commitments.

[1] The term "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations.

The Board is of the view that at present, it would not be meaningful to prescribe a maximum number of listed company board representations and other principal commitments which any director may hold. Nevertheless, the Board tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Group. The NC has reviewed each Director's directorships and principal commitments as well as each Director's attendance and contributions to the Board. Despite the multiple directorships of some Directors, the NC is satisfied that the Directors spent adequate time and attention on the Company's affairs and have diligently discharged their responsibilities. In addition, each Director has confirmed that notwithstanding other listed company board representations and other principal commitments (if any), he/she is able to devote sufficient time and attention to the affairs of the Group. The NC and the Board will continue to review from time to time the listed company board representations and other principal commitments of each Director to ensure that the Directors continue to meet the demands of the Company and are able to discharge their duties adequately.

Process for Nomination and Selection of New Directors

The Company adopts a comprehensive and detailed process in the selection of new Directors. Candidates will be first sourced through an extensive network of contacts and selected based on, *inter alia*, the needs of the Group and the relevant expertise required. When necessary, the NC may seek the help of external consultant(s) in the search process. In selecting suitable candidates, the Board, in consultation with the NC, will consider the Group's strategic goals, business direction and needs. The Board will also consider gender diversity requirements in seeking any new appointment to the Board. The NC will conduct interviews with the candidates, and nominate the candidate deemed most suitable for appointment to the Board.

Process for Re-nomination and Re-election of Directors

In recommending a Director for re-election to the Board, the NC considers, *inter alia*, his/her performance and contributions to the Board (including attendance and participation at meetings, and time and effort accorded to the Group's business and affairs). All Directors submit themselves for re-nomination and re-election at regular intervals in accordance with the Constitution. Pursuant to Regulation 89 of the Constitution, one-third of the Board are to retire from office by rotation and be subject to re-election at the AGM of the Company. In addition, Regulation 88 of the Constitution provides that a newly appointed Director must retire and submit himself/herself for re-election at the next AGM following his/her appointment. Thereafter, he/she is subject to be re-elected by rotation in accordance with the Constitution.

Each member of the NC shall abstain from voting on any resolutions in respect of his re-nomination and re-election.

The NC has reviewed and recommended to the Board the re-nomination and re-election of Mr. Ang Kiam Meng, Mr. Tan Cher Liang and Ms. Sim Yu Juan Rachel who will be retiring as Directors at the forthcoming AGM. Mr. Ang Kiam Meng, Mr. Tan Cher Liang and Ms. Sim Yu Juan Rachel will be retiring pursuant to Regulation 89 of the Constitution. All three (3) retiring Directors have offered themselves for re-election. In making the above recommendations, the NC had considered the said Directors' qualification, experience, independence and/or overall contribution and performance (as the case may be). The Board has accepted the recommendations of the NC. Additional information on Mr. Ang Kiam Meng, Mr. Tan Cher Liang and Ms. Sim Yu Juan Rachel, as required under Rule 720(5) of the Catalist Rules are set out on pages 137 to 144 of this annual report.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Board Evaluation Process

The NC assesses and discusses the performance of the Board as a whole and its Board Committees on an annual basis. Each Director completes a confidential questionnaire, and the responses are presented to the NC for review, following which the NC will recommend to the Board key areas for improvement and follow-up actions. The Board acts on the feedback and in consultation with the NC, proposes, where appropriate, new Directors to be appointed or seeks the resignation of Directors.

Each Director will evaluate the performance of the Board taking into account a set of objective performance criteria recommended by the NC which includes, *inter alia*, Board composition and size, Shareholders' access to information, Board processes, Board effectiveness, Board standards of conduct and financial performance indicators. The Board is of the view that this set of performance criteria allows for appropriate comparison and addresses how the Directors have enhanced long-term Shareholders' value. For FY2022, the NC is of the view that the Board has fared well against the performance criteria and objectives and the NC is satisfied with the performance of the Board. The NC did not engage any external facilitator to assist with the assessment of the Board's performance for FY2022.

Individual Director Evaluation

The NC will assess each Director's contribution to the effectiveness of the Board. In evaluating the contribution by each Director, various factors will be taken into consideration, including individual performance of principal functions and fiduciary duties, attendance and participation in meetings and commitment of time to Director's duties. The NC will also consider other contributions by a Director such as providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and the Director's accessibility to the Management outside of formal Board and/or Board Committee meetings. The performance of each Director will be taken into account in re-election. Each member of the NC has abstained from the voting or review process of any matters in connection with the assessment of his/her performance as a Director of the Company.

2. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration Committee

The RC is chaired by Mr. Richard Tan Kheng Swee and comprises Mr. Tan Cher Liang and Dr. Lim Boh Soon. All the RC members, including the Chairman, are Independent Directors. The RC holds at least one (1) meeting in each financial year. The principal role of the RC, in accordance with its written terms of reference, is as follows:

- recommending to the Board a framework of remuneration for the Board and key management personnel, and determine specific remuneration packages for each Director and key management personnel;

- reviewing the remuneration of the employees related to the Directors and substantial Shareholders who hold managerial positions;

- reviewing and approving any bonuses, pay increments and/or promotions for the related employees who hold managerial positions;

- setting the remuneration guidelines and policies of the Group; and

- administering the Jumbo employee share option scheme (the "**Share Option Scheme**") and the Jumbo performance share plan (the "**Performance Share Plan**"). Details of the Share Option Scheme and the Performance Share Plan are contained in the Company's offer document dated 28 October 2015 ("**Offer Document**").

The Board considers that the members of the RC, who each have many years of experience in senior management positions and/or on the boards of various listed companies, collectively have strong management experience and expertise on remuneration issues. If necessary, the RC may seek expert advice inside and/or outside the Company on the remuneration of all Directors and the Management. The RC shall ensure that remuneration consultants, if engaged, shall be free from any relationships with the Company which might affect their objectivity and independence. For FY2022, the RC did not engage any remuneration consultants.

Procedures for Setting Remuneration

The Company has implemented formal and transparent procedures and policies in relation to executive remuneration and for determining the remuneration packages of individual Directors. The RC reviews and recommends to the Board a general framework of remuneration and specific remuneration packages for the Board and key management personnel, covering all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind. The RC's recommendations are submitted for endorsement by the entire Board. Each RC member does not participate in discussions, and abstains from decision-making, in relation to any remuneration, compensation, options or any form of benefits to be granted to him. No Director is involved in deciding his/her own remuneration.

The RC also reviews all aspects of remuneration, including the Company's obligations, if any, arising in the event of termination of the Executive Directors' and/or key management personnel's contracts, to ensure that the terms are fair and reasonable. Currently, save as required for compliance with the applicable laws of Singapore and the People's Republic of China ("**PRC**"), the Group has not set aside any amounts to provide for pension, retirement or similar benefits for the Group's employees.

Remuneration Policies

In order to maximise Shareholders' value and promote the long-term success of the Group, the Company seeks to attract, retain and motivate the Management and employees by tailoring competitive remuneration packages to the specific role and circumstances of each Director, the Group CEO and key management personnel. This ensures an appropriate renumeration level and mix that recognises the performance, potential, and responsibilities of these individuals.

The remuneration of the Management and employees is set based on, *inter alia*, each individual's scope of responsibilities, prevailing market conditions, the Company's risk policies, the time horizon of such risks and comparable industry benchmarks. The Company rewards the Management and employees based on achievement of individual performance objectives using indicators such as competencies, key result areas, performance ratings and the Group's financial performance. The Board is of the view that performance-based remuneration will motivate the Management and employees to achieve superior performance and promote the long-term growth of the Group.

Under the terms of the service agreements entered into with the Executive Directors, the Company is entitled to reclaim, in full or in part, any incentive bonus paid to the Executive Director, under circumstances of (i) misstatement of financial results, or (ii) misconduct of the Executive Director, resulting, directly or indirectly, in financial loss to the Company, as may be determined by the Board in its absolute discretion.

Executive Directors and Key Management's Remuneration

Each of the Executive Directors and key management personnel is entitled to, *inter alia*, a base salary and performance-related incentives linked to the financial performance of the Group and the individual's performance, which is assessed based on the respective key performance indicators allocated to them. The Executive Directors do not receive Directors' fees from the Company.

Each of the Executive Directors has entered into a service agreement with the Company. Under the terms of their service agreements, each of the Executive Directors is entitled to an incentive bonus based on, *inter alia*, the financial performance of the Group and his/her individual performance for that year. The terms of the Executive Directors' service agreements and their remuneration packages are subject to review by the RC. There are no excessive or onerous removal clauses in these service agreements. Further details of the service agreements with the Executive Directors are set out in the Offer Document. The service agreements were last reviewed by the RC and renewed in FY2022. The RC decided that in view of the COVID-19 pandemic there will be no adjustment in basic salaries and benefits and to review the service agreements in the financial year ending 30 September 2023 ("**FY2023**").

The following performance conditions have been selected to motivate the Executive Directors and key management personnel to work in alignment with the interests of all stakeholders:

Performance Conditions	Performance Criteria	
Qualitative	(a)	Leadership
	(b)	People development
	(c)	Commitment
	(d)	Teamwork
	(e)	Current market and industry practices
Quantitative	(a)	Profit before tax
	(b)	Relative financial performance of the Group to its industry competitors

For FY2022, the RC is of the view that the performance conditions were met by each of the Executive Directors and the key management personnel.

Independent Directors' and Non-Executive Director's Remuneration

The Independent Directors and Non-Executive Director have not entered into service agreements with the Company. Each Independent Director and Non-Executive Director receives a basic fee for serving on the Board. The fees are determined by the Board, taking into account the effort, time spent and responsibilities of the Independent Director and Non-Executive Director, and subject to approval of Shareholders at each AGM. The Independent Directors and Non-Executive Director have not been over-compensated to the extent that their independence is compromised.

Level and Mix of Remuneration

Details of the remuneration of the Directors, Group CEO and the Company's key management personnel for FY2022 are set out below.

(a) Directors

Name of Director	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration	
	%	%	%	%	%	%	%	Band[1]
Executive Directors								
Mr. Ang Kiam Meng	–	93	3	4	–	–	100	III
Mdm. Tan Yong Chuan, Jacqueline	–	85	1	14	–	–	100	II
Mrs. Christina Kong Chwee Huan	–	80	1	19	–	–	100	II
Independent Directors and Non-Executive Director								
Mr. Tan Cher Liang	100	–	–	–	–	–	100	I
Dr. Lim Boh Soon	100	–	–	–	–	–	100	I
Mr. Richard Tan Kheng Swee	100	–	–	–	–	–	100	I
Ms. Sim Yu Juan Rachel	100	–	–	–	–	–	100	I

Notes:

(1) Band I: Remuneration of between $0 and $250,000 per annum
Band II: Remuneration of between $250,001 and $500,000 per annum
Band III: Remuneration of between $500,001 and $750,000 per annum

The Company has disclosed each Director's remuneration in bands of $250,000 and provided a further detailed breakdown of the remuneration in percentage terms into fixed salary, variable or performance-related incentives/bonuses, benefits-in-kind, share-based incentives and awards. The Company is of the view that this is sufficient to provide Shareholders with insight into the level of compensation of the Directors and the links between the Directors' remuneration and their performance. Further details regarding the remuneration of each Director are deemed, in light of the sensitivities of remuneration, not to be in the best interests of the Company. Save as disclosed above, no other long-term incentives and no termination, retirement or post-employment benefits have been granted to the Directors or the Group CEO.

The RC has recommended the payment of Directors' fees of up to $258,000 for FY2023, which will be tabled at the forthcoming AGM for Shareholders' approval.

(b) Key Management Personnel

Name of Key Management Personnel[1]	Fees	Salary	Bonus/ Incentives	Benefits	Stock Option	Share Award	Total Remuneration
	%	%	%	%	%	%	%
Between $250,001 and $500,000 per annum							
Mr. Tay Peng Huat	–	83	1	16	–	–	100

Note:

(1) The Company only has one (1) key management personnel who is not a Director or the Group CEO.

The Company has disclosed its key management personnel's remuneration in bands of $250,000 as well as a breakdown (in percentage terms) into fixed salary, variable or performance-related incentives/bonuses, benefits-in-kind, share-based incentives and awards. Save as disclosed above, there are no other long-term incentives and no termination, retirement or post-employment benefits granted to the key management personnel.

As the Company only has one (1) key management personnel who is not a Director or the Group CEO, it is not in the best interests of the Company to disclose the aggregate remuneration paid to the top 5 key management personnel.

During FY2022, the following employees of the Group are immediate family members of a Director, the Group CEO or a substantial Shareholder:

Name of employees who are immediate family members	Relationship with the Directors, Group CEO or a substantial Shareholder	Remuneration Band[1]
Mr. Ang Kiam Lian	Brother of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	I
Mdm. Wendy Ang Chui Yong	Sister of Mr. Ang Kiam Meng and Mrs. Christina Kong Chwee Huan	II

Note:

(1) Band I: Remuneration of between $100,001 and $200,000 per annum
Band II: Remuneration of between $200,001 and $300,000 per annum

Save as disclosed above, there are no other employees who are related to the Directors, the Group CEO or a substantial Shareholder, and whose remuneration exceeds $100,000 per annum.

Employee Share Scheme(s)

The Company has adopted the Share Option Scheme and the Performance Share Plan. The Share Option Scheme and the Performance Share Plan will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. The Share Option Scheme and the Performance Share Plan, which form an integral part and important component of the employee compensation plan, are designed to primarily reward and retain Directors and employees whose services are vital to the Group's well-being and success. As at the date of this annual report, no options have been granted under the Share Option Scheme since its commencement. Information on awards that have been granted under the Performance Share Plan is disclosed in the section entitled "Directors' Statement" and Note 25 in the notes to the financial statements of this annual report. No options or awards were granted to the directors and employees of the parent company and its subsidiaries.

Further details of the Share Option Scheme and the Performance Share Plan are set out in the Company's Offer Document.

3. ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board, with the assistance of the AC, has oversight of the Group's risk management framework and policies, including reviewing the Group's business and operational activities to determine the nature and extent of significant business risks, and recommending to the Management the appropriate strategy and resources required for managing risks that are consistent with the Group's risk appetite.

In line with the Company's disclosure obligations under the Catalist Rules, the Board's policy is that Shareholders shall be informed of all major developments relating to the Group. Information is communicated to Shareholders on a timely basis through SGXNET and, if relevant, the press. The Board also provides Shareholders with a detailed explanation of the Group's financial performance, financial position and prospects on a half yearly basis.

The Management makes available to all Directors, the management accounts and other financial statements, together with all other relevant information of the Group's financial performance, financial position and prospects on a half yearly basis and as and when the Directors may require from time to time.

The Board ensures that relevant regulatory requirements and any updates thereof will be highlighted from time to time to ensure compliance with all relevant regulatory requirements.

The Group has put in place appropriate risk management processes to evaluate the operating, investment and financial risks of the Group. The Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies and strategies. The Management reviews all significant control policies and procedures and highlights all significant matters to the Board and the AC.

The Board reviews the adequacy and effectiveness of the Group's risk management systems and internal controls framework, including financial, operational, compliance and information technology controls.

Material transactions are also subject to risk analysis by the AC and the Management, and measures to safeguard against significant risks are established prior to undertaking new projects. The AC, together with the Management, will continue to enhance and improve the existing risk management and internal control systems.

The internal and external auditors also assist in the risk management process by identifying certain areas of concern that are uncovered through financial/audit checks. The key risks facing the Group have been identified and appropriate measures are in place to mitigate such risks.

For FY2022, the Board has received assurance from the Group CEO and Executive Director, and the Chief Financial Officer that the financial records have been properly maintained, the financial statements give a true and fair view of the Group's operations and finances, and the Group's risk management and internal control systems are adequate and effective.

Based on the internal controls (including financial, operational, compliance and information technology controls) and risk management systems established and maintained by the Group, work performed by the internal and external auditors, information provided to the AC and the Board and reviews performed by the AC and the Board at least annually, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls addressing financial, operational, compliance and information technology controls as well as risk management systems were adequate and effective for FY2022.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC is chaired by Mr. Tan Cher Liang and comprises Dr. Lim Boh Soon and Mr. Richard Tan Kheng Swee. All the AC members, including the Chairman, are Independent Directors.

The members of the AC are appropriately qualified and possess the relevant accounting or related financial management expertise or experience to discharge their duties. None of the members of the AC is a former partner or director of the Company's existing auditing firm.

The AC holds at least two (2) meetings in each financial year. The principal role of the AC in accordance with its written terms of reference is as follows:

- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;

- reviewing with the internal and external auditors, the audit plans, scope of work, their evaluation of the Group's system of internal controls, audit reports, their letter(s) to the Management and the Management's responses and the results of the audits compiled by the internal and external auditors, and reviewing at regular intervals with the Management the implementation by the Group of the internal control recommendations made by the internal and external auditors;

- reviewing the periodic consolidated financial statements and any formal announcements and the external auditors' report on the annual consolidated financial statements relating to the Group's financial performance before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other relevant statutory or regulatory requirements, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of the Management, where necessary;

- reviewing the effectiveness and adequacy of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, discussing issues and concerns, if any, arising from the internal audits and reporting to the Board at least annually in connection therewith;

- reviewing and discussing with the external and/or internal auditors any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

- reviewing the adequacy and effectiveness of the Group's internal audit function;

- reviewing the assistance given by the Management to the internal and external auditors;

- reviewing the assurance provided by the Group CEO and the Chief Financial Officer regarding the financial records and financial statements;

- reviewing the independence and objectivity of the internal and/or external auditors at least annually, considering the appointment or re-appointment of the internal and external auditors and matters relating to the resignation or dismissal of the auditors, and approving the remuneration and terms of engagement of the internal and external auditors;

- reviewing interested person transactions (if any) falling within the scope of the Catalist Rules;

- reviewing the procedures by which employees of the Group and any other persons may, in confidence, report to the Chairman of the AC regarding possible improprieties in matters of financial reporting or other matters and ensuring that there are arrangements in place for independent investigation and follow-up actions thereto;

- undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters requiring the attention of the AC; and

- generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

In addition, the AC is tasked to commission independent investigations of any suspected fraud or irregularity, which has or is likely to have a material impact on the Group's operating results or financial position, and to review the findings of such investigations. The AC has reasonable resources to enable it to discharge its responsibilities properly. It has full access to, and the co-operation of, the Management and full discretion to invite any Director or key executive to attend its meetings.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with the Management and the external auditors have been included as Key Audit Matters ("**KAM**") in the audit report for FY2022 on pages 54 and 55 of this annual report.

In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of the estimates and key assumptions used. The AC concluded that the Management's accounting treatment and estimates in the KAM were appropriate.

The AC also meets with the internal auditors and external auditors without the Management, at least annually and whenever necessary to review the adequacy of audit arrangements, with emphasis on the scope and quality of audit and the independence and objectivity of the auditors.

The external auditors provide regular updates and briefings to the AC on changes to accounting standards and other financial issues to enable the AC to keep abreast of such changes and its corresponding impact on the financial statements.

External Auditors

The AC undertook a review of the independence and objectivity of the external auditors, taking into consideration the requirements under the Accountants Act 2004 (Singapore), including but not limited to, the aggregate and respective fees paid for audit and non-audit services and the cooperation extended by Management to allow an effective audit.

The AC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2022. A breakdown of the audit and non-audit fees paid to the Company's auditors is disclosed on page 126 of this annual report. The non-audit fees paid to the Company's auditors were in relation to tax services and other assurance services.

Having undertaken a review of the non-audit services provided during the year, the AC remains confident that the objectivity and independence of the external auditors are not in any way impaired by reason of the non-audit services which they provide to the Group. Moreover, the AC is satisfied that these services were provided efficiently by the external auditors as a result of their existing knowledge of the business. The AC has also reviewed and confirmed that Deloitte & Touche LLP is a suitable audit firm to meet the Company's audit obligations, having regard to the adequacy of resources and experience of the firm, the assigned audit partner-in-charge, the firm's other audit engagements, size and complexity of the Group, and the number and experience of supervisory and professional staff assigned to the audit. The AC has recommended to the Board that, Deloitte & Touche LLP, be nominated for re-appointment as external auditor at the forthcoming AGM.

The Company has complied with Rules 712 and 715 of the Catalist Rules in the appointment of its external auditors.

Internal Audit

The AC approves the hiring, removal, evaluation and compensation of the internal auditor ("**IA**"). The internal audit function of the Company is outsourced to KPMG Services Pte Ltd ("**KPMG**"). The IA reviews the effectiveness of key internal controls, including financial, operational, information technology, risk management and compliance controls for selected scope of review annually, as approved by the AC. Procedures are in place for the IA to report independently on their findings and recommendations to the AC for review. The IA reports primarily to the Chairman of the AC and has full access to the Company's documents, records, properties and personnel of the Group, including access to the AC.

The primary functions of internal audit are to help:

(a) assess if adequate systems of internal controls are in place to protect the assets of the Group and to ascertain whether control procedures are complied with;

(b) assess if operations of the business processes under review are conducted efficiently and effectively; and

(c) identify and recommend improvement to internal control procedures, where required.

The AC reviews the adequacy and effectiveness of the internal audit function of the Group annually. The AC is satisfied that the IA has adequate resources to perform its function effectively and is independent of the business and activities it audits. The IA is led by a KPMG partner who has more than 20 years of audit experience and the team is staffed by suitably qualified and experienced professionals with the relevant qualifications and experience.

The Company's internal audit function is independent of the external audit. KPMG is a member of the Institute of Internal Auditors Singapore ("**IIA**"), a professional internal auditing body affiliated to the Institute of Internal Auditors, Inc. The internal audit work carried out is guided by KPMG's global internal auditing standards and the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the IIA. KPMG continues to meet or exceed the IIA Standards in all key aspects. KPMG has confirmed their independence to the AC.

During the year, the IA adopted a risk-based audit approach that focused on material internal controls, including financial, operational, compliance and information technology controls. All internal audit reports are submitted to the AC for deliberation with copies of these reports extended to the Chairman, Group CEO, Executive Directors, Non-Executive Director and the relevant key management personnel.

The AC has reviewed the Company's internal control assessment and based on the internal auditors' and external auditors' reports and the internal controls in place, it is satisfied that there are adequate and effective internal controls to meet the needs of the Group in its current business environment. The AC is satisfied that the internal audit function is independent, effective and adequately resourced.

Whistle-blowing Policy

The Company has implemented a whistle-blowing policy, which provides the Group's employees and any other persons with well-defined and accessible channels through which they may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters relating to the Group or its officers. Whistle-blowing concerns may be reported in person or in writing via electronic mail to the Chairman of the AC.

The Group is committed to a high standard of ethical conduct and adopts a zero-tolerance approach to fraud. The Group will treat all information received confidentially and protect the identity and the interest of all whistle-blowers. Anonymous disclosures will be accepted and anonymity honoured as the Group remains committed to ensure protection of whistle-blowers against detrimental or unfair treatment.

The AC is responsible for oversight and monitoring of the whistle-blowing policy. The AC reviews such policy to ensure that arrangements are in place for independent investigation of such matters and for appropriate follow-up action.

4. SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board supports and encourages active Shareholder participation at Shareholders' meetings. Shareholders are informed of Shareholders' meetings through notices published in the newspapers, reports and/or circulars provided to all Shareholders in a timely manner. Each item of special business included in the notices of Shareholders' meetings is accompanied, where appropriate, by an explanation for the proposed resolution. The Company will strive to avoid scheduling meetings during peak period when the meetings may coincide with those of other companies to enhance Shareholder participation in Shareholders' meetings.

Separate resolutions are proposed for substantially separate issues at Shareholders' meetings for approval. "Bundling" of resolutions are done only where the resolutions are interdependent and linked so as to form one significant proposal and only where there are reasons and material implications involved. All resolutions are to be voted by poll, following which the detailed results showing, *inter alia*, the number of votes cast for and against each resolution and the respective percentages will be announced.

Voting in absentia by mail, electronic mail or fax may only be possible following careful study to ensure the integrity of the information and authentication of the identity of members is not compromised.

The Independent Chairman, the Group CEO and chairpersons of the AC, the NC, the RC and the IC will be available at Shareholders' meetings to answer queries. The external auditors will also be present at the AGM to assist the Directors in addressing any relevant queries by Shareholders regarding the conduct of audit and the preparation and contents of the auditors' report. The AGM is the principal forum for dialogue with Shareholders. All of the Directors attended the AGM of the Company in FY2021.

The Board is mindful of the obligation to provide regular, effective and fair communication with Shareholders. Information is communicated to Shareholders on a timely basis. The Company does not practise selective disclosure. Information will be publicly released via SGXNET and/or the Company's corporate website before the Company meets with any group of investors or analysts. The Group's financial results and annual reports are announced or issued within the period specified under the Catalist Rules and are also made available to the public via the Company's website.

The Company will be holding its forthcoming AGM by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangement for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**"). Pursuant to the Order, the Company will not publish the notice of AGM in the newspaper or despatch the annual report and related documents to Shareholders for the upcoming AGM. As per the Regulator's Column dated 23 May 2022, general meetings which are conducted virtually on or after 1 October 2022 and annual general meetings for financial years ending 30 June 2022 onwards, will need to provide both (i) real-time electronic voting and (ii) real-time electronic communication.

As the AGM will be held by way of electronic means, Shareholders will not be able to attend the AGM in person, but will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. Shareholders who wish to vote on any or all of the resolutions of the AGM may vote "live" via electronic means at the AGM or by appointing proxy(ies) or the Chairman of the AGM to vote on their behalf at the AGM. Shareholders may (i) submit questions related to the resolutions to be tabled at the forthcoming AGM in advance of the lodgement of the proxy forms for the AGM; or (ii) submit text-based questions during the AGM, in accordance with the instructions set out in the notice of AGM ("**Notice**"). The Board and Management shall endeavour to address relevant and substantial questions received before and during the AGM, at the AGM. Please refer to the Notice and announcement dated 16 January 2023 for more information. The Company shall publish the minutes of the AGM on SGXNET and the Company's website within one (1) month after the date of the AGM.

The Company currently does not have a fixed dividend policy. Any declaration and payment of dividends will depend on, *inter alia*, the Group's operating results, financial conditions, cash flows, expected future earnings, capital expenditure programme(s) and investment plans, the terms of the borrowing arrangements (if any) and other factors deemed relevant by the Directors. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future. The Company will, in line with Rule 704(23) of the Catalist Rules, expressly disclose the reason(s) in the event that the Board decides not to declare or recommend a dividend, in its financial statement announcements.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. The investor relations policy sets out the mechanism through which Shareholders may contact the Company with questions and through which the Company may respond to such questions.

The Board welcomes the views of Shareholders on matters affecting the Group, whether at Shareholders' meetings or on an ad-hoc basis. The Board will also engage in investor relations activities to allow the Company to engage Shareholders as and when it deems necessary and appropriate.

The Company's investor relations team is led by the Chief Financial Officer who is responsible for integrating finance, accounting, corporate communications, and legal compliance to enable effective communication between the Company and investors. The Company holds briefings to present its financial results for the media and analysts, when requested. Outside of the financial announcement periods, when necessary and appropriate, the Management will meet investors and analysts who wish to seek a better understanding of the Group's business and operations. This also enables the Company to solicit feedback from the investment community on a range of strategic and topical issues which provide valuable insights to the Company on investors' views. When opportunities arise, the Company conducts media interviews to give its Shareholders and the public a better perspective of the Group's business, operations and prospects. The investor relations team can be contacted through the Company's corporate website at https://www.jumbogroup.sg. The investor relations team has procedures in place for responding to queries from Shareholders on a timely basis.

5. MANAGING STAKEHOLDER RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced, when compared to the needs and interests of its stakeholders. Stakeholders of the Company include but are not limited to its customers, employees, suppliers, investors, shareholders, and regulators.

The Company has regularly engaged its stakeholders through various channels to ensure that the business interests of the Company are aligned with those stakeholders. Pertinent information is regularly conveyed to the stakeholders through SGXNET. Details of the stakeholders engaged by the Company can be found in the SR which will be released by 28 February 2023. The SR will share information on the Company's sustainability governance structure, stakeholder engagement as well as materiality processes and results.

The Company also maintains a corporate website at https://www.jumbogroup.sg to communicate and engage with stakeholders.

INVESTMENT COMMITTEE

The IC is chaired by Dr. Lim Boh Soon and comprises Mr. Tan Cher Liang, Mr. Richard Tan Kheng Swee and Mr. Ang Kiam Meng. Save for Mr. Ang Kiam Meng, who is the Group CEO and Executive Director, the rest of the IC are Independent Directors. The principal role of the IC is to set overall investment guidelines for the Group and to assess, review and recommend investment opportunities. The IC has held one (1) meeting in FY2022.

DEALINGS IN SECURITIES

(Rule 1204(19) of the Catalist Rules)

The Company has adopted an internal compliance code on dealings in the Company's securities, pursuant to Rule 1204(19) of the Catalist Rules, which all Directors and officers of the Group have been notified of. The Company, all Directors and officers of the Group are prohibited from dealing in the Company's securities during the period commencing one (1) month before the announcement of its half-year and full-year financial results.

All Directors and officers of the Group are expected to observe insider trading laws at all times. In particular, they are aware that dealing in the Company's securities, when they are in possession of unpublished material price-sensitive information in relation to those securities, is an offence. The Directors and officers of the Group are also discouraged from dealing in the Company's securities on short-term considerations.

INTERESTED PERSON TRANSACTIONS

(Rules 907 and 1204(17) of the Catalist Rules)

The Group has adopted an internal policy in respect of any transaction with an interested party within the definition set out in Chapter 9 of the Catalist Rules and has in place procedures for review and approval of all interested person transactions. In the event that a potential conflict of interest arises, the Director concerned will not participate in discussions, abstain from decision-making, and refrain from exercising any influence over other members of the Board.

The Group does not have a general mandate for interested person transactions. There were no interested person transactions of $100,000 or more in FY2022.

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and the transactions will not be prejudicial to the interest of the Group and its minority Shareholders. To ensure compliance with Chapter 9 of the Catalist Rules, the Board and the AC review, on a half-yearly basis, interested person transactions entered into by the Group (if any).

MATERIAL CONTRACTS

(Rule 1204(8) of the Catalist Rules)

Save for the service agreements between the Company and the Executive Directors, disclosures in the section entitled "Directors' Statement" of this annual report and the Financial Statements of the Group, there were no other material contracts of the Company and its subsidiaries involving the interests of the Group CEO, any Director or controlling Shareholder which is either subsisting at the end of FY2022 or, if not then subsisting, entered into since the end of FY2022.

NON-SPONSOR FEES

(Rule 1204(21) of the Catalist Rules)

There were no non-sponsor fees paid to the Company's sponsor, United Overseas Bank Limited, in FY2022.

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2022.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 58 to 128 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2022, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Tan Cher Liang
Ang Kiam Meng
Tan Yong Chuan, Jacqueline
Christina Ang Chwee Huan
Richard Tan Kheng Swee
Lim Boh Soon
Sim Yu Juan Rachel

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the performance share plan mentioned in paragraph 4 of the Directors' Statement.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 (Singapore) except as follows:

	Shareholdings registered in the name of directors	
Name of directors and companies in which interests are held	**At beginning of year**	**At end of year**
<u>Jumbo Group Limited</u>		
(Ordinary shares)		
Ang Kiam Meng	10,223,863	10,223,863
Tan Yong Chuan, Jacqueline	3,006,352	3,006,352
Christina Ang Chwee Huan	2,512,942	2,512,942
Sim Yu Juan Rachel	200,000	200,000

The directors' interests in the shares and options of the Company at 21 October 2022 were the same at 30 September 2022.

4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN

(a) *Options to take up unissued shares*

During the financial year, no options to take up unissued shares of the Company or any other corporation in the Group were granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any other corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under option*

At the end of the financial year, there were no unissued shares of the Company or any other corporation in the Group under option.

4 SHARE OPTIONS AND PERFORMANCE SHARE PLAN (cont'd)

Performance Share Plan

The Performance Share Plan, adopted by the Company at an extraordinary general meeting of the Company held on 19 October 2015, was implemented to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate eligible participants to achieve increased performance, and further strengthen the Company's competitiveness in attracting and retaining talent.

The proposed participation by the Company and grant of share awards ("Awards") to Mr. Ang Kiam Meng under the Performance Share Plan was approved by shareholders at an EGM held on 26 January 2017.

On 23 February 2017, the Company granted Awards comprising up to 500,000 shares to Mr. Ang Kiam Meng under the Performance Share Plan.

	Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	**Aggregate granted during the financial year ended 30 September 2022**	**Aggregate granted since commencement of the Performance Share Plan to 30 September 2022**	**Aggregate issued and/or transferred pursuant to the vesting of Awards since commencement of the Performance Share Plan to 30 September 2022**	**Aggregate not released as at 30 September 2022**
Ang Kiam Meng [(1)]	–	500,000	500,000 [(2)]	–

(1) The Awards were granted to Mr. Ang Kiam Meng on 23 February 2017 with a vesting period of (a) within 2 months from 26 January 2017 for up to 150,000 shares; and (b) within 2 months from the date of issuance of the Group's audited financial statements for the financial year ended 30 September 2017 for up to 350,000 shares. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

(2) 150,000 and 350,000 shares were allotted and issued to Mr. Ang Kiam Meng on 23 March 2017 and 28 February 2018 respectively, pursuant to the vesting of the Awards.

Awards were granted also to associates of controlling shareholders and other employees of the Company and are disclosed in Note 25 of the notes of the financial statements. Save as disclosed above, there were no Awards granted to directors or controlling shareholders of the Company, from the commencement of the Performance Share Plan to the end of the financial year. In addition, no individual has been granted 5.0% or more of the total number of shares to be comprised in Awards available under the Performance Share Plan, from the commencement of the Performance Share Plan to the end of the financial year.

5 AUDIT COMMITTEE

The Audit Committee of the Company, consisting all independent and non-executive directors, is chaired by Mr Tan Cher Liang, and includes Mr Richard Tan Kheng Swee and Dr Lim Boh Soon. The Audit Committee has met four times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) The audit plans, scope of work, evaluation of the adequacy of the internal controls, audit reports, management letters on internal controls and management response;

(b) The adequacy and effectiveness of the Group's internal controls addressing financial, operational, compliance and information technology risks prior to the incorporation of such results in the annual report;

(c) The statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;

(d) The half-year and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;

(e) The co-operation and assistance given by the management to the Group's external auditors;

(f) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and

(g) The re-appointment of the external and internal auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Tan Cher Liang

Ang Kiam Meng

16 January 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Jumbo Group Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jumbo Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 58 to 128.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (cont'd)

Key Audit Matter	How the matter was addressed in the audit
Impairment of property, plant and equipment and right-of-use assets of non-performing outlets At 30 September 2022, the carrying value of the Group's property, plant and equipment and right-of-use assets were $22,882,000 and $24,597,000 respectively, which represent 21% and 23% of the Group's total assets respectively. The Group operates outlets in Singapore, China and Taiwan. The Group has several outlets that incurred losses during the financial year ended 30 September 2022. Management performed impairment assessment on the property, plant and equipment and right-of-use assets of these outlets. Management determined the recoverable amounts of the property, plant and equipment and right-of-use assets of these outlets based on value in use calculations. This area was significant to our audit because the impairment assessment involved significant management judgement and required the management to make various assumptions including the revenue growth rates and discount rates used in the underlying discounted cash flow forecasts. The Group's disclosure on property, plant and equipment and right-of-use assets is set out in Notes 3(c), 16 and 17 to the financial statements.	We performed procedures to evaluate the design and implementation of the relevant controls management has over the impairment review analysis. We involved our valuation specialist to assess the valuation method used by the management and evaluated the key assumptions used in the impairment assessment, in particular the revenue growth rates and discount rates. We tested the robustness of management's budgeting process by comparing the actual financial performance against previously forecasted results. We compared the revenue growth rates of the non-performing outlets to the recent performance and market expectations. We also reviewed management's sensitivity analysis of the carrying amounts of property, plant and equipment and right-of-use assets to changes in certain key assumptions such as revenue growth rates and discount rates. Based on the outcome of the impairment assessment, the recoverable amounts of the property, plant and equipment and right-of-use assets of these loss-making outlets based on value in use calculations were higher than the carrying amounts as at the end of the reporting period. In addition, we assessed the adequacy of the disclosures on the property, plant and equipment and right-of-use assets in Notes 3(c), 16 and 17 to the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair view financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr Ang Chun Hwee Benny.

Public Accountants and
Chartered Accountants
Singapore

16 January 2023

STATEMENTS OF
FINANCIAL POSITION

As at 30 September 2022

	Note	Group 2022 $'000	Group 2021 $'000	Company 2022 $'000	Company 2021 $'000
ASSETS					
Current assets					
Cash and cash equivalents	6	17,014	20,462	8	5,410
Trade and other receivables	7(a)	11,719	11,535	12	14
Short-term investments	8	18,013	8,847	4,662	4,992
Inventories	9	2,730	2,289	–	–
Total current assets		49,476	43,133	4,682	10,416
Non-current assets					
Due from subsidiaries	7(b)	–	–	41,053	37,154
Investments in subsidiaries	10	–	–	5,424	5,424
Investments in associates	11	754	735	–	–
Other investments	12	250	325	–	–
Investments at fair value through profit or loss ("FVTPL")	13	1,881	2,629	–	–
Goodwill	14	3,405	3,466	–	–
Intangible assets	15	447	480	–	–
Right-of-use assets	16	24,597	23,360	–	–
Property, plant and equipment	17	22,882	23,817	–	–
Club memberships	18	238	238	–	–
Deferred tax assets	19	3,181	3,781	–	–
Total non-current assets		57,635	58,831	46,477	42,578
Total assets		107,111	101,964	51,159	52,994

See accompanying notes to financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 September 2022

	Note	Group 2022 $'000	Group 2021 $'000	Company 2022 $'000	Company 2021 $'000
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	20	13,640	11,012	290	222
Provision for reinstatement costs	21	3,741	3,534	–	–
Lease liabilities	22	10,517	10,576	–	–
Bank borrowings	23	4,833	4,491	980	960
Income tax payable		23	–	–	–
Total current liabilities		32,754	29,613	1,270	1,182
Non-current liabilities					
Lease liabilities	22	15,756	14,411	–	–
Bank borrowings	23	11,869	10,858	3,060	4,040
Deferred tax liability	19	–	13	–	–
Total non-current liabilities		27,625	25,282	3,060	4,040
Capital, reserves and non-controlling interests					
Share capital	24	49,436	49,436	49,436	49,436
Treasury shares	25	(439)	(405)	(439)	(405)
Currency translation reserve		207	174	–	–
Merger reserve	26	(2,828)	(2,828)	–	–
Accumulated losses		(1,861)	(1,770)	(2,168)	(1,259)
Equity attributable to owners of the Company		44,515	44,607	46,829	47,772
Non-controlling interests	10	2,217	2,462	–	–
Total equity		46,732	47,069	46,829	47,772
Total liabilities and equity		107,111	101,964	51,159	52,994

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 September 2022

	Note	Group 2022 $'000	Group 2021 $'000
Revenue	27	115,560	81,790
Raw materials and consumables used		(40,139)	(30,936)
Change in inventories		(441)	117
Other income	28	2,218	6,001
Employee benefits expense		(36,886)	(34,930)
Operating lease expenses	32	(3,010)	(1,084)
Utilities expenses		(3,867)	(2,876)
Depreciation and amortisation:			
- Property, plant and equipment	17	(5,849)	(6,766)
- Right-of-use assets	16	(11,822)	(12,657)
- Intangible assets	15	(21)	(28)
Interest expense:			
- Leases		(961)	(980)
- Bank borrowings		(375)	(163)
Impairment loss reversal (recognised) on property, plant and equipment, net	17	168	(83)
Other operating expenses	29	(14,231)	(11,847)
Share of results of associates		19	(443)
Profit/(Loss) before income tax		363	(14,885)
Income tax (expense)/credit	30	(699)	3,690
Loss for the year	32	(336)	(11,195)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		33	275
Other comprehensive income for the year, net of tax		33	275
Total comprehensive loss for the year		(303)	(10,920)
Profit (Loss) attributable to:			
Owners of the Company		(91)	(11,764)
Non-controlling interests		(245)	569
		(336)	(11,195)
Total comprehensive income (loss) attributable to:			
Owners of the Company		(58)	(11,399)
Non-controlling interests		(245)	479
		(303)	(10,920)
Basic and diluted loss per share (cents)	34	–*	(1.8)

*: Less than (0.1) cents

See accompanying notes to financial statements.

STATEMENTS OF
CHANGES IN EQUITY

Year ended 30 September 2022

	Share capital	Treasury shares	Currency translation reserve	Merger reserve	Retained earnings/ (Accumulated losses)	Equity attributable to owners of the Company	Non-controlling interests	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Group								
Balance at 1 October 2020	48,806	(438)	(191)	(2,828)	9,994	55,343	1,983	57,326
Total comprehensive loss for the year:								
(Loss) Profit for the year	–	–	–	–	(11,764)	(11,764)	569	(11,195)
Other comprehensive income (loss) for the year	–	–	365	–	–	365	(90)	275
Transactions with owners, recognised directly in equity:								
Acquisition of a subsidiary (Notes 10 and 24)	630	–	–	–	–	630	–	630
Reissue of treasury shares (Note 25)	–	33	–	–	–	33	–	33
Balance at 30 September 2021	49,436	(405)	174	(2,828)	(1,770)	44,607	2,462	47,069
Total comprehensive loss for the year:								
Loss for the year	–	–	–	–	(91)	(91)	(245)	(336)
Other comprehensive income for the year	–	–	33	–	–	33	–	33
Transactions with owners, recognised directly in equity:								
Reissue of treasury shares (Note 25)	–	(34)	–	–	–	(34)	–	(34)
Balance at 30 September 2022	49,436	(439)	207	(2,828)	(1,861)	44,515	2,217	46,732

STATEMENTS OF
CHANGES IN EQUITY

Year ended 30 September 2022

	Share capital	Treasury shares	Accumulated losses	Total
	$'000	**$'000**	**$'000**	**$'000**
Company				
Balance at 1 October 2020	48,806	(438)	(778)	47,590
Transactions with owners, recognised directly in equity:				
Reissue of treasury shares (Note 25)	–	33	–	33
Acquisition of a subsidiary (Notes 10 and 24)	630	–	–	630
Loss for the year, representing total comprehensive loss for the year	–	–	(481)	(481)
Balance at 30 September 2021	49,436	(405)	(1,259)	47,772
Transactions with owners, recognised directly in equity:				
Repurchase of treasury shares (Note 25)	–	(34)	–	(34)
Loss for the year, representing total comprehensive loss for the year	–	–	(909)	(909)
Balance at 30 September 2022	49,436	(439)	(2,168)	46,829

CONSOLIDATED STATEMENT OF
CASH FLOWS

Year ended 30 September 2022

	Group	
	2022	2021
	$'000	$'000
Operating activities		
Profit/(Loss) before income tax	363	(14,885)
Adjustments for:		
Depreciation of property, plant and equipment	5,849	6,766
Depreciation of right-of-use assets	11,822	12,657
Amortisation of intangible assets	21	28
Impairment loss on property, plant and equipment	–	83
Write back of impairment loss on property, plant and equipment	(168)	–
Interest expense: leases	961	980
Interest expense: bank borrowings	375	163
Interest income	(239)	(118)
Property, plant and equipment written off	–	442
Write-back of reinstatement costs	(79)	–
Loss (Gain) on disposal of property, plant and equipment	1,249	(5)
Loss on disposal of investments	10	–
Fair value loss on investments at fair value through profit or loss	748	480
Fair value (gain) loss on short-term investments	754	(141)
Rental rebate and concessions	(1,934)	(1,364)
Share-based payment expense	–	33
Termination of lease	–	(95)
Share of results of associates	(19)	443
Operating cash flows before movements in working capital	19,713	5,467
Trade and other receivables	(184)	(394)
Inventories	(441)	117
Trade and other payables	2,628	1,356
Cash generated from operations	21,716	6,546
Interest income received	239	118
Interest paid	(1,336)	(1,143)
Income tax paid	(89)	(804)
Net cash from operating activities	20,530	4,717

CONSOLIDATED STATEMENT OF
CASH FLOWS

Year ended 30 September 2022

	Group	
	2022	2021
	$'000	$'000
Investing activities		
Acquisition of property, plant and equipment [Note (a)]	(5,782)	(5,027)
Acquisition of treasury shares	(34)	–
Acquisition of short-term investment	(9,930)	(8,363)
Proceeds from disposal of property, plant and equipment	223	93
Proceeds from disposal of investments	75	–
Reinstatement cost paid	(16)	(76)
Acquisition of a subsidiary (Note 10)	–	(1,469)
Net cash used in investing activities	(15,464)	(14,842)
Financing activities		
Repayment of bank borrowings	(3,647)	(984)
Repayment of lease obligations	(9,839)	(10,543)
Proceeds from bank borrowings	5,000	14,200
Net cash (used in) from financing activities	(8,486)	2,673
Net decrease in cash and cash equivalents	(3,420)	(7,452)
Cash and cash equivalents at beginning of the year	20,462	27,745
Effect of foreign exchange rate changes	(28)	169
Cash and cash equivalents at end of the year (Note 6)	17,014	20,462

Note (a):

Addition of property, plant and equipment	(6,106)	(7,782)
Add non-cash movement:		
Provision for reinstatement costs	324	1,472
Other payables	–	466
Reclassification from other non-current assets	–	817
	(5,782)	(5,027)

1 GENERAL

The Company (Registration No. 201503401Z) is incorporated in Singapore with its principal place of business and registered office at 4 Kaki Bukit Avenue 1, #03-08, Singapore 417939. The Company is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The financial statements are expressed in Singapore dollars.

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries and associates are disclosed in Notes 10 and 11 to the financial statements respectively.

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 30 September 2022 were authorised for issue by the Board of Directors on 16 January 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I)1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

ADOPTION OF NEW AND REVISED STANDARDS – On 1 October 2021, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/ revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

BASIS OF COMBINATION - In 2015, the financial statements incorporated the financial statements of the Company and its subsidiaries and had been prepared using the principles of merger accounting and on the assumption that the re-organisation of entities controlled by the same shareholders collectively had been effected as at the beginning of the earliest period presented in these financial statements.

Under merger accounting, the assets, liabilities, revenue, expenses and cash flows and all the entities within the Group are combined after making such adjustments as are necessary to achieve consistency of accounting policies. This manner of presentation reflects the economic enterprise, although the legal parent-subsidiary relationship between the Company and the subsidiaries was not established until 9 November 2015.

Where necessary, adjustments are made to the financial statements of the Group entities to bring their accounting policies in line with those used by other members of the Group.

All significant intercompany transactions and balances between Group enterprises are eliminated on combination.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring its accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiaries and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiaries (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

In the Company's separate financial statements, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATIONS - Acquisitions of businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;

- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and

- Assets (or disposal Groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I).

If the initial accounting for a business combination is incomplete by the end of the financial year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite the aforegoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

Debt instruments classified as at FVTOCI

Fair value is determined in the manner described in note 4(vi) to financial statements. These debt instruments are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these debt instruments as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments recognised in other comprehensive income and accumulated in the investments revaluation reserve. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Equity instruments designated as at FVTOCI (cont'd)

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

The Group has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial recognition (see Note 12).

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other income" line item (Note 28). Fair value is determined in the manner described in Note 4(c)(vi).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" line item;

- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the "other income" line item;

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Foreign exchange gains and losses (cont'd)

- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve; and

- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Significant increase in credit risk (cont'd)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group) as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower; or

(b) a breach of contract, such as a default or past due event; or

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, except for short-term balances when the recognition of interest would be immaterial.

Bank borrowings

Interest-bearing bank borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "other income" and "other operating expenses" line item in profit or loss for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

LEASES

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

LEASES (cont'd)

The Group as lessee (cont'd)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

LEASES (cont'd)

The Group as lessee (cont'd)

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'operating lease expenses' in the statement of profit or loss and other comprehensive income.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

The Group has applied the practical expedient which permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification and accordingly has accounted for any change in lease payments resulting from the COVID-19-related rent concessions applying SFRS(I) 16 as if the change were not a lease modification.

INVENTORIES - Inventories comprising mainly food and beverages are stated at the lower of cost and net realisable value. Cost comprises all cost of purchase and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, other than plant and equipment under work in progress, using the straight-line method, on the following bases:

Audio, visual and office equipment	-	3 to 10 years
Kitchen equipment and utensils	-	3 to 10 years
Furniture and fittings	-	3 to 10 years
Renovation	-	3 to 10 years
Leasehold industrial properties	-	44 to 50 years
Motor vehicles	-	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

Work in progress relates to kitchen equipment and renovation. Depreciation of these assets commences when the assets are ready for intended use.

Fully depreciated assets still in use are retained in the financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

GOODWILL - Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the acquiree over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

INTANGIBLE ASSETS – Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible assets with finite useful lives (franchise rights) are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed as at each reporting date, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives (trademark) that are acquired separately are carried at cost less accumulated impairment losses and is reviewed for impairment at least annually, or more frequently when there is an indication that the asset may be impaired.

Amortisation is charged so as to write off the cost of assets over their estimated useful life of 10 years using the straight-line method.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

IMPAIRMENT OF NON-FINANCIAL ASSETS EXCLUDING GOODWILL - At the end of each financial year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

ASSOCIATES - An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate is disposed of.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Provision for reinstatement costs

The Group recognises a liability if the Group has a present legal or constructive obligation to reinstate the leased premises to their original state upon expiry of the lease. The provision is made based on management's best estimate of the expected costs to be incurred to reinstate the leased premises to their original state.

SHARE-BASED PAYMENTS - The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

TREASURY SHARES - The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION - Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer and excludes amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to a customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Sale of food and beverages

Revenue from the sale of food and beverages is recognised at a point in time which is usually upon the delivery of goods to customers.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Franchise and royalty income

Initial franchise income is recognised at the point in time upon the grant of rights, completion of the designated phases of the franchise setup and transfer of know-how to the franchisee in accordance with the terms stated in the franchise agreement. Royalty income is recognised over time as a percentage of the franchisees' revenue in accordance with terms as stated in the franchise agreement.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Management fees

Revenue from management contracts is recognised over the management period when the services are rendered.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Sponsorship income

Sponsorship income from suppliers is recognised when the rights to receive payment have been established.

BORROWING COSTS - Borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

CLUB MEMBERSHIP - This comprises of investment in club membership which is stated at cost less any impairment in net recoverable value that has been recognised in profit or loss.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS - The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing on the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

MERGER RESERVE - Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which it was acquired by the Company and the amount of the share capital issued as consideration for the acquisition.

CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash at bank and on hand and deposits, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

Apart from those involving estimates, management is of the opinion that any instance of application of judgement is not expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. No impairment loss was recognised during the financial year. The carrying amount of goodwill at the end of the reporting period is set out in Note 14 to the financial statements.

(b) Impairment of investments in subsidiaries

Investment in subsidiaries are stated at cost less any impairment loss. The Company follows the guidance of SFRS(I) 1-36 Impairment of Assets to determine when its investment in subsidiaries are impaired. The Company evaluates, among other factors, the market and economic environment in which the subsidiaries operate and the financial performance of the subsidiaries to determine whether there are indications of impairment loss and if so, whether the cost of investment in the subsidiaries exceed their net tangible assets values and fair value of investment less cost to sell.

The carrying amount of the investments in subsidiaries are set out in Note 10 to the financial statements.

(c) Impairment of property, plant and equipment and right-of-use assets of non-performing outlets

The Group has certain outlets that incurred losses during the financial year ended 30 September 2022 and 2021. Management performed impairment assessment on the property, plant and equipment and right-of-use assets of these outlets based on value in use calculations.

The recoverable amount of the relevant assets of the non-performing outlets has been determined on the basis of their value in use.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

(c) Impairment of property, plant and equipment and right-of-use assets of non-performing outlets (cont'd)

The key assumptions used for value-in-use calculations for property, plant and equipment and right-of-use assets of these outlets are as follows:

	2022			2021		
	Singapore	**PRC**	**Taiwan**	**Singapore**	**PRC**	**Taiwan**
Average revenue growth rate	12.0%	15.0%	7.0%	14.2%	3.8%	7.0%
Discount rate	13.0%	14.0%	10.6%	9.5%	10.5%	9.5%

The above assumptions were used for the analysis of the non-performing outlets.

Based on the assessment, no impairment loss (2021 : $468,000) is recognised in profit or loss during the financial year for the non-performing outlets. A reversal of impairment loss of $168,000 (2021 : $385,000) was recognised during the financial year due to improvement in the results of an outlet in Singapore.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed the recoverable amount of the property, plant and equipment and right-of-use assets.

The carrying amount of the right-of-use assets and property, plant and equipment are set out in Notes 16 and 17 to the financial statements.

(d) Loss allowance for trade and other receivables

Management assesses at the end of the reporting period the expected credit losses ("ECL") required for its trade and other receivables and amounts due from subsidiaries. When measuring ECL, management uses reasonable and supportable forward-looking information, including taking into consideration the past collection history, financial information and future business plans of the associates.

Based on the assessment, management recorded an allowance for ECL of $2,324,000 on trade and other receivables due from an associate which management have assessed to be appropriate as at 30 September 2022. The carrying amount of trade and other receivables and amounts due from subsidiaries at the end of the reporting period are set out in Notes 7(a) and 7(b) to the financial statements.

(e) Deferred tax assets

Deferred tax assets are recognised for the carryforward of unused tax losses, unused tax credits and temporary differences to the extent that it is probable that taxable profit will be available in the foreseeable future. In making its judgment, management takes into account elements such as the likely timing and level of future taxable profits together with the long-term business strategy and tax planning opportunities. The carrying amount of deferred tax assets at the end of the reporting period is set out in Note 19 to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group	
	2022	**2021**
	$'000	**$'000**
Financial assets		
Financial assets at amortised cost	26,626	28,786
Financial assets at FVTOCI:		
Equity instruments classified as FVTOCI	–	75
Debt instruments designated as at FVTOCI	250	250
Financial assets measured at FVTPL	19,894	11,476
Financial liabilities		
Financial liabilities at amortised cost	26,787	22,774
Lease liabilities	26,273	24,987

	Company	
	2022	**2021**
	$'000	**$'000**
Financial assets		
Financial assets at amortised cost	41,061	42,564
Financial assets measured at FVTPL	4,662	4,992
Financial liabilities		
Financial liabilities at amortised cost	4,330	5,222

(b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar arrangements

The Group and the Company do not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar agreements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below:

(i) Foreign exchange risk management

The Group operates principally in Singapore and has operations in the People's Republic of China ("PRC") and Taiwan, giving rise to some exposures to market risk from changes in foreign exchange rates primarily with respect to Chinese Renminbi and New Taiwan Dollar. The Group relies on the natural hedges between such transactions.

The Group does not enter into any derivative contracts to hedge the foreign exchange risk. The Group's monetary assets and monetary liabilities are largely denominated in the respective Group entities' functional currencies.

As the Group's and Company's principal operations are predominately in Singapore, it is not significantly exposed to foreign exchange risk and thus foreign currency risk sensitivity analysis has not been disclosed.

(ii) Interest rate risk management

The Group and the Company are not exposed to significant interest rate risk as the bank borrowings mainly bear fixed interest rate and there are no other significant interest-bearing assets and liabilities. Further details can be found in Note 23 to the financial statements.

No sensitivity analysis is prepared as the Group and the Company do not expect any material effect on the Group's and Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

The Group's credit risk is primarily attributable to its cash and bank balances and trade and other receivables. Liquid funds are placed with financial institutions with high credit ratings. The credit risk with respect to the trade receivables is limited as the Group's revenue are generated mainly from cash and credit card sales. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant apart from receivables due from an associate.

Other than the receivables from the associates (Note 7), the Group has no significant concentration of credit risk. Trade receivables are spread over a broad base of customers.

The Company is exposed to a concentration of credit risk as 100% (2021 : 100%) of its receivables are due from subsidiaries, Jumbo Group of Restaurants Pte Ltd and Jumbo F&B Services Pte Ltd. These subsidiaries have been assessed to be creditworthy and management has assessed that no allowance for doubtful receivables is required.

The carrying amount of financial assets recorded in the financial statements represents the Group's and the Company's maximum exposure to credit risks.

The Group and Company develop and maintain its credit risk gradings to categorise according to their degree of risk of default. Management uses the Group's own trading records to rate its customers and other debtors.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

Further details of credit risk on trade and other receivables are disclosed in Note 7 to the financial statements. The tables below detail the credit quality of the Group's and Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$'000	$'000	$'000
Group						
2022						
Trade receivables - outside parties	7(a)	(i)	Lifetime ECL (simplified approach)	1,365	–	1,365
Other receivables - outside parties	7(a)	(ii)	12-month ECL	402	–	402
Trade receivables - associates	7(a)	(i)	Lifetime ECL (simplified approach)	299	–	299
Other receivables - associate	7(a)	(ii)	Lifetime ECL	2,264	(2,264)	–
Other receivables - associate	7(a)	(ii)	12-month ECL	2,931	–	2,931
Staff loans	7(a)	(ii)	12-month ECL	11	–	11
Refundable deposits	7(a)	(ii)	12-month ECL	4,604	–	4,604
					(2,264)	
Company						
2022						
Due from subsidiaries	7(b)	(ii)	12-month ECL	41,053	–	41,053
					–	

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$'000	$'000	$'000
Group						
2021						
Trade receivables - outside parties	7(a)	(i)	Lifetime ECL (simplified approach)	731	–	731
Other receivables - outside parties	7(a)	(ii)	12-month ECL	442	–	442
Trade receivables - associates	7(a)	(i)	Lifetime ECL (simplified approach)	231	–	231
Other receivables - associate	7(a)	(ii)	Lifetime ECL	2,264	(2,264)	–
Other receivables - associates	7(a)	(ii)	12-month ECL	2,303	–	2,303
Staff loans	7(a)	(ii)	12-month ECL	6	–	6
Refundable deposits	7(a)	(ii)	12-month ECL	4,611	–	4,611
					(2,264)	
Company						
2021						
Due from subsidiaries	7(b)	(ii)	12-month ECL	37,154	–	37,154
					–	

(i) For trade related balances, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

(ii) For non-trade related balances, the Group has measured the loss allowance at an amount equal to 12-month ECL except for the receivables due from an associate as detailed in Note 7(a) to the financial statements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(iii) Credit risk management (cont'd)

Details of management's evaluation of credit risk related to short-term investments, other investments at FVTOCI and investments at FVTPL are disclosed in Notes 8, 12 and 13 to the financial statements respectively.

(iv) Equity price risk management

The Group is exposed to equity risks arising from equity investments classified as short-term investments and investments at FVTPL. Equity instruments designated as at FVTOCI is unquoted, and is held for strategic rather than trading purposes.

Further details of the short-term investments, other investments at FVTOCI and investments at FVTPL are disclosed in Notes 8, 12 and 13 to the financial statements respectively.

Equity price sensitivity

If equity price has been 10% higher/lower:

- the Group's net profit for the year ended 30 September 2022 would increase/decrease by $704,000 (2021 : $811,000); and

- the Group's other comprehensive income for the year ended 30 September 2022 would increase/decrease by Nil (2021 : $8,000).

(v) Liquidity risk management

Liquidity risk refers to the risk that the Group may not be able to meet its obligations.

The Group maintains sufficient cash and bank balances and internally generated cash flows to finance its working capital requirements.

All financial liabilities are repayable on demand or due within 1 year from the end of the financial year except for lease liabilities and bank borrowings as disclosed in Notes 22 and 23 to the financial statements respectively.

All financial assets mature within 1 year from the end of the reporting period, except for other investments at FVTOCI and investments at FVTPL disclosed in Notes 12 and 13 to the financial statements respectively.

Company

The Company's financial liabilities as at 30 September 2022 are repayable on demand or due within 1 year from the end of the reporting period except for bank borrowings as disclosed in Note 23 to the financial statements.

All financial assets are repayable on demand.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(v) Liquidity risk management (cont'd)

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group and the company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

	Weighted average effective interest rate	**On demand or within 1 year**	**Within 2 to 5 years**	**After 5 years**	**Adjustment**	**Total**
	%	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Group						
2022						
Non-interest Bearing	–	10,085	–	–	–	10,085
Lease liabilities (fixed rate)	5.86	11,245	14,630	2,034	(1,636)	26,273
Bank borrowings						
- Fixed rate	2.00	4,110	12,330	–	(640)	15,800
- Variable rate	2.38	902	–	–	–	902
		26,342	26,960	2,034	(2,276)	53,060
2021						
Non-interest bearing	–	7,425	–	–	–	7,425
Lease liabilities (fixed rate)	7.90	11,372	12,647	3,110	(2,142)	24,987
Bank borrowings						
- Fixed rate	2.00	2,995	11,286	–	(664)	13,617
- Variable rate	2.01	1,743	–	–	(11)	1,732
		23,535	23,933	3,110	(2,817)	47,761

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(v) Liquidity risk management (cont'd)

Non-derivative financial liabilities (cont'd)

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Company						
2022						
Non-interest bearing	–	290	–	–	–	290
Bank borrowings (fixed rate)	2.0	1,052	3,155	–	(167)	4,040
		1,342	3,155	–	(167)	4,330
2021						
Non-interest bearing	–	222	–	–	–	222
Bank borrowings (fixed rate)	2.0	1,052	4,207	–	(259)	5,000
		1,274	4,207	–	(259)	5,222

(vi) Fair value of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and payables and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair value of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) Financial risk management policies and objectives (cont'd)

(vi) Fair value of financial assets and financial liabilities (cont'd)

Financial instruments measured at fair value

	Total	Level 1	Level 2	Level 3
	$'000	$'000	$'000	$'000
Group				
Financial assets				
2022				
Other investments				
- Debt instruments classified as at FVTOCI	250	250	–	–
FVTPL:				
- Structured deposits	12,853	–	12,853	–
- Unquoted equity investments	1,881	–	–	1,881
- Quoted equity shares	5,160	5,160	–	–
2021				
Other investments				
- Debt instruments classified as at FVTOCI	250	250	–	–
- Equity instruments designated as at FVTOCI	75	–	–	75
FVTPL:				
- Structured deposits	3,371	–	3,371	–
- Unquoted equity investments	2,629	–	–	2,629
- Quoted equity shares	5,476	5,476	–	–
Company				
Financial assets				
2022				
FVTPL:				
- Quoted equity shares	4,662	4,662	–	–
2021				
FVTPL:				
- Quoted equity shares	4,992	4,992	–	–

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives (cont'd)*

(vi) Fair value of financial assets and financial liabilities (cont'd)

Financial instruments measured at fair value (cont'd)

The Group determines fair values of various financial assets in the following manner:

Fair value of the Group's and Company's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each financial year. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value ($)		Fair value hierarchy	Valuation technique and key input	Significant unobservable input	Relationship of unobservable inputs to fair value
	2022	2021				
Group	Short-term investments (see Note 8 to the financial statements)					
Quoted equity shares	5,160	5,476	Level 1	Quoted bid prices in an active market	N/A	N/A
Structured deposits	12,853	3,371	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets	Pricing and yield curves provided by the banks	N/A
Company						
Quoted equity shares	4,662	4,992	Level 1	Quoted bid prices in an active market	N/A	N/A
Group	Other investments (see Note 12 to the financial statements)					
Debt instruments	250	250	Level 1	Quoted bid prices in an active market	N/A	N/A
Equity instruments	–	75	Level 3	Net asset value of the unquoted equity shares	Net asset value	The higher the net asset value, the higher the fair value of the investments.
Group	Investments at fair value through profit or loss ("FVTPL") (see Note 13 to the financial statements)					
Equity investments at fair value through profit or loss	1,881	2,629	Level 3	Net asset value of the underlying unquoted equity shares invested by the fund manager	Pricing and yield curves provided by the fund manager to the administrator of the fund	Any change to pricing or yield curves used would result in an increase (decrease) in fair value.

There were no transfers between the levels of the fair value hierarchy during the financial year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Capital management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2021.

The capital structure of the Group consists of bank borrowings and equity attributable to owners of the Company, comprising issued capital and reserves.

5 RELATED COMPANIES AND OTHER RELATED PARTIES TRANSACTIONS

(a) Related companies transactions

Related companies in these financial statements refer to members of the Company's Group of companies.

Some of the Company's transactions and arrangements are between members of the Group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free, expected to be settled in cash and repayable on demand unless otherwise stated.

(b) Other related party transactions

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free, expected to be settled in cash and repayable on demand unless otherwise stated.

During the year, significant transactions entered into by Group entities with related parties were as follow:

	Group	
	2022	**2021**
	$'000	**$'000**
Sales of food and beverage to associates	(1,461)	(977)
Management fees received from associates	–	(75)
Royalty fees received from associates	(627)	(73)

5 RELATED COMPANIES AND OTHER RELATED PARTIES TRANSACTIONS (cont'd)

(b) Other related party transactions (cont'd)

Remuneration of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follow:

	Group	
	2022	**2021**
	$'000	**$'000**
Short-term employee benefits	2,008	1,576
Post-employment benefits	68	53
Share based payment	–	2
Total compensation	2,076	1,631

6 CASH AND CASH EQUIVALENTS

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Cash on hand	154	152	*	*
Cash at bank	16,860	20,310	8	5,410
Cash and cash equivalents in the statement of cash flows	17,014	20,462	8	5,410

* denotes less than a thousand.

7 (a) TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
Trade receivables				
- outside parties	1,365	731	–	–
- associates	299	231	–	–
Less: loss allowance	–	–	–	–
	1,664	962	–	–
Other receivables				
- outside parties	402	442	–	–
- associates	5,195	4,567	–	–
Less: loss allowance	(2,264)	(2,264)	–	–
	3,333	2,745	–	–
Government grant receivables	23	517	–	–
Staff loans	11	6	–	–
Refundable deposits	4,604	4,611	–	–
Prepayments	2,084	2,694	12	14
	11,719	11,535	12	14

The credit period ranges from 3 to 30 days (2021 : 3 to 30 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

7 (a) TRADE AND OTHER RECEIVABLES (cont'd)

The expected credit loss rate is immaterial for trade receivables from third parties in all days past due categories as management has assessed and concluded that the amounts are recoverable.

For purpose of impairment assessment, except for other receivables due from an associate, other receivables and refundable deposits are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

Except for other receivables due from an associate in which there is a significant increase in credit risk since initial recognition and loss allowance is measured at an amount equal to lifetime ECL in 2021, there has been no change in the estimation techniques or significant assumptions made during the current or prior reporting period in assessing the loss allowance for other receivables.

The following table shows the movement in the loss allowance for trade and other receivables due from an associate.

Group	**Lifetime ECL – credit-impaired financial assets at amortised cost**
	$'000
Balance as at 1 October 2020	2,324
Loss allowance written off	(60)
Balance as at 30 September 2021 and 2022	2,264

7 (b) DUE FROM SUBSIDIARIES

Amounts due from subsidiaries are unsecured, interest-free and repayable on demand and have been classified as non-current asset as the company does not expect repayment within 12 months from the end of the reporting date. Management is of the view the amounts due from subsidiaries approximate their fair values.

Management estimates the loss allowance on amounts due from subsidiaries at an amount equal to 12-month ECL, taking into account the historical default experience, current financial conditions of the subsidiaries and the future prospects of the industry of each subsidiary. No loss allowance as the management has assessed and concluded that the receivables are subject to immaterial credit loss.

8 SHORT-TERM INVESTMENTS

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets measured at FVTPL:				
Held for trading non-derivative financial assets				
- Structured deposits	12,853	3,371	–	–
- Quoted equity shares	5,160	5,476	4,662	4,992
	18,013	8,847	4,662	4,992

The Group placed structured deposits amounting to $12,853,000 (2021 : $3,371,000) with various financial institutions. The structured deposits are redeemable from 1 day to 3 months (2021 : 1 day to 3 months) from the date of placement based on the redemption values quoted by banks with reference to the expected return of the underlying assets. The management has not identified any potential significant financial risk exposure.

Investments in quoted equity securities that offer the Group and the Company the opportunity for return through dividend income and fair value gains. The fair values of these securities are based on the quoted closing market prices on the last market day of the financial year.

Decreases in the fair value of investments in quoted equity shares at fair value through profit or loss, amounting to $754,000 (2021 : Increase of $141,000) have been included in profit or loss for the year as part of "other income" (Note 28).

9 INVENTORIES

	Group 2022	Group 2021
	$'000	$'000
Consumables	2,400	2,025
Liquor and beverages	330	264
	2,730	2,289

10 INVESTMENTS IN SUBSIDIARIES

	Company 2022	Company 2021
	$'000	$'000
Unquoted equity shares – at cost	5,424	5,424

Details of the Group's significant subsidiaries at 30 September 2022 are as follows:

Name of subsidiary	Principal activities	Country of incorporation and operation	Proportion of ownership interest and voting power held 2022	2021
			%	%
Held by the Company				
Jumbo Group of Restaurants Pte. Ltd. (1)	Operation and management of restaurants.	Singapore	100	100
Subsidiaries held by Jumbo Group of Restaurants Pte. Ltd.				
Jumbo F&B Services Pte Ltd. (1)	Investment holding.	Singapore	100	100
Kok Kee Wanton Noodle Pte. Ltd. (1)	Operation and management of restaurants.	Singapore	75	75
JLL F&B Services Pte. Ltd. (1)	Operation and management of restaurants.	Singapore	60	60
JCC Food Concepts Pte. Ltd. (3)	Dormant	Singapore	65	–
JSL F&B Services Pte. Ltd. (3)	Dormant	Singapore	100	–

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of subsidiary	Principal activities	Country of incorporation and operation	Proportion of ownership interest and voting power held	
			2022	2021
			%	%
Subsidiaries held by Jumbo F&B Services Pte. Ltd				
JBT (China) Pte Ltd. (1)	Investment holding.	Singapore	70	70
Jumbo F&B Services (Shanghai) Co Ltd (2)	Management of seafood restaurant.	PRC	100	100
Jumbo F&B Services (Taiwan) Co Ltd (2)	Management of seafood restaurant.	Taiwan	80	80
Temasek F&B Services Co Ltd (2)(3)	Operation and management of restaurants.	Taiwan	100	–
Subsidiary held by JBT (China) Pte. Ltd.				
JBT F&B Management (Shanghai) Co Ltd (2)	Operation and management of seafood restaurant.	PRC	70	70
Subsidiary held by Jumbo F&B Services (Shanghai) Co Ltd				
JBHG F&B Services (Beijing) Co Ltd (2)	Operation and management of seafood restaurant.	PRC	51	51

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Audited by an overseas practice of Deloitte Touche Tohmatsu Limited.

(3) Incorporated during the year.

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

FY2021

On 14 December 2020, the Company acquired 75% of the issued share capital of Kok Kee Wanton Noodle Pte. Ltd. for a consideration of $2,100,000.

The principal activity of Kok Kee Wanton Noodle Pte. Ltd. is the operation of wonton noodle stall. Known for its springy noodles and special lard-based sauce, the tradename is a familiar and popular name in Singapore. The primary reason for the acquisition is to add the hawker concept to the Group's F&B portfolio to deepen its footfold in the Singapore market.

	FY2021
	$'000
Consideration	
Cash paid	1,470
Issue of shares (Note 24)	630
	2,100
Assets and liabilities recognised as a result of the acquisition	
Fair value of net identifiable assets acquired	
Cash and cash equivalents	1
Intangible assets	285
	286
Goodwill arising on acquisition	1,814
	2,100

Goodwill arose in the acquisition as the cost of acquisition included a control premium and the consideration paid effectively included amounts in relation to the benefit of revenue growth and future market development. The benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

Net cash outflow on acquisition	
Cash consideration	1,470
Less: Cash and cash equivalents transferred	(1)
Cash outflow on acquisition	1,469

From the date of acquisition to 30 September 2021, the business acquired contributed revenue of $1,276,000 and net profit of $402,000 to the Group. If the acquisition had taken place at the beginning of the previous financial year, there will be no significant change to the revenue and net profit contributed to the Group by the business acquired.

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Wholly owned subsidiaries

Information about the composition of wholly owned subsidiaries of the Group at the end of the financial year is as follows:

Principal activities	Country of incorporation and operation	Number of wholly owned subsidiaries	
		2022	**2021**
Investment holding	Singapore	1	1
Operations, management of restaurants and manufacturer of food stuff	Singapore	1	1
	PRC	1	1
	Taiwan	1	–
Dormant	Singapore	1	–

Non-wholly owned subsidiaries

Information about the composition of non-wholly owned subsidiaries of the Group at the end of the financial year is as follows:

Principal activities	Country of incorporation and operation	Number of Non-wholly owned subsidiaries	
		2022	**2021**
Investment holding	Singapore	1	1
Operations and management of restaurants	Singapore	2	2
	PRC	2	2
	Taiwan	1	1
Dormant	Singapore	1	–

Details of non-wholly owned subsidiaries that have material non-controlling interests to the Group are disclosed below:

Name of subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss) Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2022	**2021**	**2022**	**2021**	**2022**	**2021**
		%	**%**	**$'000**	**$'000**	**$'000**	**$'000**
JBT (China) Pte Ltd	Singapore	30	30	(165)	123	1,098	1,264
JBHG F&B Services (Beijing) Co Ltd	PRC	49	49	39	745	1,642	1,541
Jumbo F&B Services (Taiwan) Co Ltd	Taiwan	20	20	(156)	(389)	(609)	(433)
Individual subsidiaries with immaterial non-controlling interests				37	90	86	90
				(245)	569	2,217	2,462

10 INVESTMENTS IN SUBSIDIARIES (cont'd)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra Group eliminations.

	JBT (China) Pte Ltd		JBHG F&B Services (Beijing) Co Ltd		Jumbo F&B Services (Taiwan) Co Ltd	
	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000
Current assets	6,545	6,839	3,323	2,620	872	684
Non-current assets	7,199	7,127	1,604	2,265	1,158	2,437
Current liabilities	(6,161)	(6,048)	(1,307)	(1,175)	(5,046)	(5,135)
Non-current liabilities	(3,921)	(3,706)	(268)	(564)	(30)	(163)
Equity attributable to owners of the Company	2,563	2,948	1,710	1,605	(2,437)	(1,744)
Non-controlling interests	1,098	1,264	1,642	1,541	(609)	(433)
Revenue	15,626	19,999	7,175	9,260	4,305	5,807
Expenses	(16,177)	(19,590)	(7,095)	(7,739)	(5,083)	(7,751)
(Loss) Profit for the year	(551)	409	80	1,521	(778)	(1,944)
(Loss) Profit attributable to owners of the Company	(386)	286	41	776	(622)	(1,555)
(Loss) Profit attributable to non-controlling interests	(165)	123	39	745	(156)	(389)
(Loss) Profit for the year	(551)	409	80	1,521	(778)	(1,944)
Other comprehensive income (loss) attributable to owners of the Company	6	20	64	(97)	(106)	(37)
Other comprehensive income (loss) attributable to non-controlling interests	(1)	9	62	(93)	(20)	(6)
Other comprehensive income (loss) for the year	5	29	126	(190)	(126)	(43)
Total comprehensive income (loss) attributable to owners of the Company	(380)	306	105	679	(728)	(1,592)
Total comprehensive income (loss) attributable to non-controlling interests	(166)	132	101	652	(176)	(395)
Total comprehensive income (loss) for the year	(546)	438	206	1,331	(904)	(1,987)
Net cash inflow from operating activities	2,664	5,426	1,497	2,198	910	1,434
Net cash outflow from investing activities	(1,385)	(3,331)	(2,626)	(287)	(107)	(79)
Net cash (outflow) inflow from financing activities	(2,780)	(2,731)	(303)	(882)	(2,566)	(1,665)
Net cash (outflow) inflow	(1,501)	(636)	(1,432)	1,029	(1,763)	(310)

11 INVESTMENTS IN ASSOCIATES

	Group 2022	Group 2021
	$'000	$'000
Unquoted equity shares - at cost	2,521	2,521
Share of post-acquisition loss, net dividend received	(1,767)	(1,786)
	754	735

Details of the Group's associates as at 30 September 2022 are as follows:

Name of associate	Principal activities	Place of incorporation and operation	Proportion of ownership interests and voting power held 2022 %	2021 %
Associates held by Jumbo Group of Restaurants Pte. Ltd.				
Seafood Republic Pte. Ltd. ("SRPL") [1]	Operation and management of restaurants.	Singapore	20	20
Singapore Seafood Republic Pte. Ltd. ("SSRPL") [1][2]	Investment holding.	Singapore	27	27
SSR Sentosa Pte. Ltd. ("SSR Sentosa") [1][2]	Dormant.	Singapore	27	27
Associates held by Jumbo F&B Services Pte. Ltd.				
Vista F&B Services Pte. Ltd. ("VSPL") [1]	Operation and management of restaurants.	Singapore	49	49
Ho Sing Foods Co. Ltd. ("HSFL") [3]	Dormant.	Taiwan	49	49
JD F&B Inc. ("JDFB") [3]	Dormant.	Korea	50	50

11 INVESTMENTS IN ASSOCIATES (cont'd)

(1) Audited by Deloitte & Touche LLP, Singapore.

(2) Although the Group holds 100% equity interests in SSR Sentosa, management has assessed that SSRPL, rather than the Group, has the ability to direct the relevant activities of SSR Sentosa because of a loan financing arrangement by SSRPL to SSR Sentosa which gives SSRPL authority to direct the activities of SSR Sentosa that significantly affect the returns of SSR Sentosa. As SSRPL is an associate of the Group, SSR Sentosa is deemed to be an associate of the Group.

(3) The latest available management accounts were used for consolidation purposes. The directors determined that it is not able to jointly direct the relevant activities of the entity and classified it as an associate of the Group in accordance with SFRS(I) 1-28 *Investment in Associates and Joint Ventures*.

Summarised financial information of the Group's material associates, SRPL, VSPL and HSFL are set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with SFRS(I)s.

	SRPL		VSPL		HSFL	
	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000
Current assets	1,506	1,045	4,120	2,324	226	940
Non-current assets	602	602	6,107	6,633	155	1,203
Current liabilities	(67)	(65)	(5,974)	(5,573)	(173)	(419)
Non-current liabilities	–	–	(4,700)	(4,700)	(661)	(1,649)
Revenue	115	94	11,189	4,353	374	2,339
Profit (Loss) for the year	122	(5)	942	(1,026)	(519)	(1,105)

Reconciliation of the above summarised financial information to the carrying amount of the interests in SRPL, VSPL and HSFL recognised in these consolidated financial statements:

	SRPL		VSPL		HSFL	
	2022	2021	2022	2021	2022	2021
	$'000	$'000	$'000	$'000	$'000	$'000
Net assets (liabilities) of the associates	2,041	1,582	(447)	(1,316)	(453)	75
Proportion of the Group's ownership interest	20%	20%	49%	49%	49%	49%
Other adjustments	–	–	–	–	–	(411)
Carrying amount of the Group's interest	408	316	–	–	–	–

11 INVESTMENTS IN ASSOCIATES (cont'd)

Aggregate information of associates that are not individually material:

	2022	2021
	$'000	$'000
The Group's share of loss	5	275
The Group's share of total comprehensive loss	5	275
Aggregate carrying amount of the Group's interest in these associates	346	419

Unrecognised share of losses of associates

	Group	
	2022	2021
	$'000	$'000
Cumulative share of losses of associates	1,439	1,633

12 OTHER INVESTMENTS

	Group	
	2022	2021
	$'000	$'000
Financial assets at FVTOCI		
Debt instruments classified as at FVTOCI (1)	250	250
Unquoted equity instruments designated as at FVTOCI (2)	–	75
	250	325

(1) The investment in debt instruments represents the listed redeemable notes that carry interest at 3.98% (2021 : 3.98%) per annum, and are redeemable at par value in 2025. These redeemable notes are held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence, the redeemable notes are classified as at FVTOCI.

For the purpose of impairment assessment, the investment in debt instruments are considered to have low credit risk as the counterparty to the investment has strong credit rating. Accordingly, for the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12-month ECL. Management has assessed and concluded that the investment is subject to immaterial credit loss.

(2) The investment in unquoted equity investments represents 15% equity interest in Slappy Cakes (Singapore) Pte Ltd, a company incorporated in Singapore. As the investment is held for medium to long-term strategic purposes, management has elected to designate this investment at FVTOCI as they believe that recognising short-term fluctuations in this investment's fair value in profit or loss would not be consistent with the Group's strategy of holding this investment for long-term purposes and realising its performance potential in long run.

13 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group	
	2022	**2021**
	$'000	**$'000**
Equity investments - FVTPL	2,629	3,109
Fair value loss included in profit or loss for the year as part of "other income"	(748)	(480)
	1,881	2,629

The shareholdings in these unquoted equity investments represent less than 20% of interests. These investments are measured at fair value through profit or loss in accordance with SFRS(I) 9 *Financial Instruments: Recognition and Measurement* as they represent an identified portfolio of investments which the Group manages together with an intention of profit taking.

Investments at fair value through profit or loss are denominated in Singapore dollars.

Decreases in fair value of investments at fair value through profit or loss, amounting to $748,000 (2021 : $480,000) has been included in profit or loss for the year as part of "other income" (Note 28).

14 GOODWILL

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGU") that are expected to benefit from that business combination.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

Group	**$'000**
Cost:	
At 1 October 2020	1,621
Arising from acquisition of Kok Kee Wanton Noodle Pte Ltd in Singapore	1,814
Exchange difference	31
At 30 September 2021	3,466
Exchange difference	(61)
At 30 September 2022	3,405

14 GOODWILL (cont'd)

The carrying amount of goodwill of $3,405,000 (2021 : $3,466,000) is allocated to the respective CGUs:

	2022	2021
Group	**$'000**	**$'000**
Cash-generating units ("CGUs"):		
Ng Ah Sio Bak Kut Teh business in Singapore	782	782
Jumbo F&B Services (Taiwan) Co Ltd	809	870
Kok Kee Wanton Noodle Pte Ltd	1,814	1,814
Total	3,405	3,466

The recoverable amount of each CGU is determined from a value in use calculation. The key assumptions for the value in use calculations are those regarding the discount rates and growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts.

Cash flow projections used in the value-in-use calculations were based on the most recent financial budgets approved by management for the next five years.

Key assumptions used for value-in-use calculations for goodwill are as follows:

	2022		2021	
	Average revenue growth rate	**Discount rate**	**Average revenue growth rate**	**Discount rate**
Ng Ah Sio Bak Kut Teh business in Singapore	12%	13.0%	10%	9.5%
Jumbo F&B Services (Taiwan) Co Ltd	7%	10.6%	5%	9.5%
Kok Kee Wanton Noodle Pte Ltd	12%	13.0%	22%	9.5%

As at 30 September 2022 and 2021, any reasonably possible change to the key assumptions applied are not likely to cause the recoverable amounts to be below the carrying amounts of the CGU.

For the years ended 30 September 2022 and 2021, management has assessed that no allowance for impairment was required.

15 INTANGIBLE ASSETS

Group	Franchise rights $'000	Trademark $'000	Total $'000
Cost:			
At 1 October 2020	246	–	246
Acquired on acquisition of Kok Kee Wanton Noodle Pte Ltd in Singapore (Note 10)	–	285	285
Exchange gain	6	–	6
At 30 September 2021	252	285	537
Exchange gain	(12)	–	(12)
At 30 September 2022	240	285	525
Amortisation:			
At 1 October 2020	29	–	29
Amortisation for the year	28	–	28
At 30 September 2021	57	–	57
Amortisation for the year	21	–	21
At 30 September 2022	78	–	78
Carrying amount:			
At 30 September 2022	162	285	447
At 30 September 2021	195	285	480

16 RIGHT-OF-USE ASSETS

	Outlets	Office spaces	Hostel premises	Total
	$'000	$'000	$'000	$'000
Cost:				
At 1 October 2020	41,005	1,138	592	42,735
Additions	12,251	1,057	–	13,308
Disposals	(2,623)	–	(328)	(2,951)
Lease modifications	(391)	–	–	(391)
Exchange difference	481	15	–	496
At 30 September 2021	50,723	2,210	264	53,197
Additions	12,441	618	–	13,059
Disposals	(7)	(6)	–	(13)
Exchange difference	(279)	16	–	(263)
At 30 September 2022	62,878	2,838	264	65,980
Accumulated depreciation:				
At 1 October 2020	18,733	375	319	19,427
Depreciation	11,811	582	264	12,657
Disposals	(2,183)	–	(328)	(2,511)
Exchange difference	261	3	–	264
At 30 September 2021	28,622	960	255	29,837
Depreciation	11,270	543	9	11,822
Disposals	(7)	(6)	–	(13)
Exchange difference	(263)	–	–	(263)
At 30 September 2022	39,622	1,497	264	41,383
Carrying amount:				
At 30 September 2022	23,256	1,341	–	24,597
At 30 September 2021	22,101	1,250	9	23,360

The Group leases several outlets, office spaces and hostel premises and the average lease term is 3 - 5 years.

Certain leases expired in the current financial year and were replaced by new leases for identical underlying assets. This resulted in additions to right-of-use assets of $13,059,000 (2021 : $13,308,000) in 2022.

In addition, the Group has also secured the right-of-use of certain leasehold industrial units with no future payments required. The carrying amount of leasehold industrial units, amounting to $6,108,000 (2021 : $6,290,000) for the Group, are presented within property, plant and and equipment (Note 17).

17 PROPERTY, PLANT AND EQUIPMENT

Group	Audio, visual and office equipment $'000	Kitchen equipment and utensils $'000	Furniture and fittings $'000	Renovation $'000	Leasehold industrial properties $'000	Motor vehicles $'000	Work in progress $'000	Total $'000
Cost:								
At 1 October 2020	6,927	8,598	6,810	25,883	7,737	1,697	1,012	58,664
Additions	361	765	558	4,828	–	–	1,270	7,782
Disposals/Written off	(527)	(444)	(712)	(3,522)	–	(289)	(209)	(5,703)
Reclassifications	19	30	81	319	–	–	(449)	–
Exchange difference	32	76	205	180	–	–	–	493
At 30 September 2021	6,812	9,025	6,942	27,688	7,737	1,408	1,624	61,236
Additions	844	524	534	3,272	–	402	530	6,106
Disposals/Written off	(273)	(239)	(202)	(1,468)	–	(604)	–	(2,786)
Reclassifications	1,433	7	–	11	–	–	(1451)	–
Exchange difference	(12)	(83)	(28)	(143)	–	–	–	(266)
At 30 September 2022	8,804	9,234	7,246	29,360	7,737	1,206	703	64,290
Accumulated depreciation:								
At 1 October 2020	5,157	5,673	4,963	15,919	1,267	778	–	33,757
Depreciation for the year	865	813	842	3,912	180	154	–	6,766
Disposals/Written off	(376)	(376)	(626)	(2,626)	–	(201)	–	(4,205)
Exchange difference	62	211	251	109	–	–	–	633
At 30 September 2021	5,708	6,321	5,430	17,314	1,447	731	–	36,951
Depreciation for the year	1,052	790	556	3,136	182	122	11	5,849
Disposals/Written off	(256)	(179)	(163)	(379)	–	(337)	–	(1,314)
Exchange difference	(85)	(56)	(17)	(220)	–	–	–	(378)
At 30 September 2022	6,419	6,876	5,806	19,851	1,629	516	11	41,108
Impairment:								
At 1 October 2020	–	–	–	1,353	–	–	–	1,353
Impairment loss recognised during the year	–	–	–	468	–	–	–	468
Impairment loss written back during the year	–	–	–	(385)	–	–	–	(385)
Written off	–	–	–	(968)	–	–	–	(968)
At 30 September 2021	–	–	–	468	–	–	–	468
Impairment loss written back during the year	–	–	–	(168)	–	–	–	(168)
At 30 September 2022	–	–	–	300	–	–	–	300
Carrying amount:								
At 30 September 2022	2,385	2,358	1,440	9,209	6,108	690	692	22,882
At 30 September 2021	1,104	2,704	1,512	9,906	6,290	677	1,624	23,817

The cost of fully depreciated assets still in use for the Group amounted to $22,054,000 (2021 : $20,433,000).

18 CLUB MEMBERSHIPS

	Group	
	2022	2021
	$'000	$'000
Country club memberships, at cost	273	273
Less: Allowance for impairment	(35)	(35)
	238	238

19 DEFERRED TAX ASSETS AND LIABILITIES

The following are the major deferred tax assets and liabiltiies recognised by the Group, and the movements thereon, during the current and prior reporting periods:

	Group		
	Accelerated tax depreciation	Tax losses	Total
	$'000	$'000	$'000
At 1 October 2020	370	–	370
Credit to profit or loss (Note 30)	(357)	(3,781)	(4,138)
At 30 September 2021	13	(3,781)	(3,768)
Credit to profit or loss (Note 30)	(13)	600	587
At 30 September 2022	–	(3,181)	(3,181)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group	
	2022	2021
	$'000	$'000
Deferred tax liabilities	–	13
Deferred tax assets	(3,181)	(3,781)
	(3,181)	(3,768)

20 TRADE AND OTHER PAYABLES

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables	4,203	1,350	–	–
Other payables	2,276	2,380	76	19
Deposits received	662	452	–	–
Accrued employee benefits expense	2,439	2,692	–	–
Accrued directors' fees	60	122	60	123
Accrued operating expenses	1,107	881	154	80
Accrued credit expenses	630	191	–	–
Deferred revenue	2,263	2,944	–	–
	13,640	11,012	290	222

The credit period on purchases of goods is typically 30 days (2021 : 30 days). No interest is charged.

The Group has a loyalty programme which allows members to accumulate credits when they spend in the Group's restaurants. These credits can be off-set against billings from the Group's outlets and/or redeem for certain merchandise. Accrued credit expense relates to the credits issued under the loyalty programme that are expected to be redeemed but are still outstanding as at the end of the financial year.

Deferred revenue mainly relates to advances received from customers for the sale of cash vouchers and membership stored value card which are recognised as revenue when utilised by the customers.

21 PROVISION FOR REINSTATEMENT COSTS

	Group	
	2022	**2021**
	$'000	**$'000**
At beginning of year	3,534	1,989
Additions during the year	324	1,598
Utilised during the year	(16)	(76)
Write-back during the year	(79)	–
Exchange difference	(22)	23
At end of year	3,741	3,534

Provision for reinstatement costs are estimation to reinstate the Group's leased premises to their original state upon expiry of the respective leases.

22 LEASE LIABILITIES (GROUP AS A LEASEE)

	Group 2022	Group 2021
	$'000	$'000
Maturity analysis:		
Year 1	11,245	11,372
Year 2	7,585	6,747
Year 3	4,524	3,353
Year 4	1,403	1,551
Year 5	1,118	996
Year 6 onwards	2,034	3,110
	27,909	27,129
Less: Future charges	(1,636)	(2,142)
	26,273	24,987
Analysed as:		
Current	10,517	10,576
Non-current	15,756	14,411
	26,273	24,987

As discussed in Note 2, the Group has applied the practical expedient to all non-mandatory rent concessions given in 2021 that are eligible for the practical expedient as a result of the Covid-19-related rent concessions amendment to SFRS(I) 16 and has derecognised $1,934,000 (2021 : $1,364,000) of the lease liabilities that has been extinguished by the forgiveness of lease payments on certain outlets of the Group.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing acitivities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	1 October 2021	New leases	Other changes (i)	Financing cash flows	30 September 2022
	$'000	$'000	$'000	$'000	$'000
Bank borrowings	15,349	–	–	1,353	16,702
Lease liabilities	24,987	13,059	(1,934)	(9,839)	26,273

	1 October 2020	New leases	Other changes (i)	Financing cash flows	30 September 2021
	$'000	$'000	$'000	$'000	$'000
Bank borrowings	2,133	–	–	13,216	15,349
Lease liabilities	24,638	13,182	(2,290)	(10,543)	24,987

(i) Other changes include rent concessions and lease modifications and termination.

23 BANK BORROWINGS

	Group		Company	
	2022	2021	2022	2021
	$'000	$'000	$'000	$'000
<u>Unsecured – at amortised cost</u>				
Bank loans	16,702	15,349	4,040	5,000
Less: Amount due for settlement within 12 months (shown under current liabilities)	(4,833)	(4,491)	(980)	(960)
Amount due for settlement after 12 months	11,869	10,858	3,060	4,040

As at 30 September 2022, the Group's unsecured bank borrowings amounting to $902,000 (2021 : $1,732,000) bear floating interest rate at average effective interest rate of 2.38% (2021 : 2.01%) per annum on a 3-month renewal basis (2021 : 3-month renewal basis and fixed 2 years).

The remaining Group's and Company's unsecured bank borrowings amounting to $15,800,000 (2021 : $13,617,000) and $4,040,000 (2021 : $5,000,000) respectively bear fixed interest rate at 2% (2021 : 2%) per annum for a tenure of 5 years.

As at 30 September 2022 and 2021, the Group does not have any secured borrowing or collaterals.

Management is of the view that the fair values of the Group's bank borrowings approximate their carrying amounts.

24 SHARE CAPITAL

	Group and Company			
	2022	2021	2022	2021
	Number of ordinary shares		$'000	$'000
Issued and paid up:				
At beginning of the year	643,658,465	641,833,000	49,436	48,806
During the year	–	1,825,465	–	630
At end of the year	643,658,465	643,658,465	49,436	49,436

On 5 January 2021 and 19 July 2021, the company issued new ordinary shares of 882,352 and 943,113 respectively in satisfaction of the first and second tranche of the consideration for the acquisition of 75% of the issued and paid-up share capital of Kok Kee Wanton Noodle Pte Ltd (Note 10). The number of shares issued were determined based on the average of the closing market prices of the Company's shares over the last five market days before the respective share issue date.

25 TREASURY SHARES

	Group and Company			
	2022	2021	2022	2021
	Number of ordinary shares		$'000	$'000
At the beginning of the year	1,338,100	1,446,600	405	438
Repurchase of treasury shares	126,200	–	34	–
Reissue of treasury shares	–	(108,500)	–	(33)
At the end of the year	1,464,300	1,338,100	439	405

In 2022, the Company acquired 126,200 of its own shares through purchases on Singapore Exchange during the year. The total amount paid to acquire the shares was $34,000 and had been deducted from shareholders' equity. The shares were held as treasury shares. During the year, the Company did not reissue any treasury shares (2021 : 108,500) to the employees of the Group.

The proposed participation and grant of share awards ("Awards") to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian who are associates of a controlling shareholder under the Performance Share Plan were approved by shareholders at an EGM held on 31 January 2019.

In 2019, the Company granted Awards of 39,700 and 13,000 shares to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian respectively under the Performance Share Plan as follows:

	Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	Shares granted during financial year under review (including terms)	Aggregate shares granted since commencement of scheme to end of financial year under review	Aggregate issued and/or transferred pursuant to the vesting of Awards since commencement of scheme to end of financial year under review	Aggregate shares outstanding as at end of financial year under review
Ms. Wendy Ang Chui Yong (1)	–	39,700	(39,700) (2)	–
Mr. Ang Kiam Lian (1)	–	13,000	(13,000) (2)	–

(1) The Awards were granted to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian with a vesting period of (a) within 2 months from 31 January 2019 up to 30% of shares granted; (b) within 2 months from 1 January 2020 up to 30% of shares granted; and (c) within 2 months from 1 January 2021 up to 40% of shares granted. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period.

(2) Both the 39,700 and 13,000 shares were allotted and issued to Ms. Wendy Ang Chui Yong and Mr. Ang Kiam Lian respectively, pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

25 TREASURY SHARES (cont'd)

The Company granted Awards under the Performance Share Plan to other employees of the Group as follows:

		Number of shares comprised in Awards under the Performance Share Plan			
Name of participant	**Shares granted during financial year under review (including terms)**	**Aggregate shares granted since commencement of scheme to end of financial year under review**	**Aggregate issued and/or transferred pursuant to the vesting of Awards since commencement of scheme to end of financial year under review**	**Aggretate forfeited since commencement of scheme to end of financial year under review**	**Aggregate shares outstanding as at end of financial year under review**
Other employees (3)	–	284,600	256,200 (4)	28,400	–
Other employees (5)	–	329,400	329,400	–	–

(3) The Awards were granted to other employees of the Group with a vesting period of (a) within 2 months from 31 January 2019 up to 30% of shares granted; (b) within 2 months from 1 January 2020 up to 30% of shares granted; and (c) within 2 months from 1 January 2021 up to 40% of shares granted. The number of shares to be vested will be subject to the achievement of pre-determined performance targets over the performance period. In 2021, 21,100 shares were forfeited as certain employees had left the Group prior to the vesting of the shares.

(4) In 2021, 87,400 shares were allotted and issued to other employees of the Group , pursuant to the vesting of the Awards. The shares were reissued from treasury shares.

(5) The Awards were granted to other employees of the Group with a vesting period of 100% within 2 months from the date of the annual general meeting of the Company held on 17 January 2020.

26 MERGER RESERVE

Merger reserve represents the difference between the nominal amount of the share capital of the subsidiaries at the date on which they were acquired by the Company and the purchase consideration paid by the Company for the acquisition using the principles of merger accounting applicable to business combination under common control.

27 REVENUE

	Group	
	2022	2021
	$'000	$'000
At a point in time:		
Sale of food and beverages	114,383	80,755
Franchise income	570	430
Over time:		
Royalty income	607	605
	115,560	81,790

28 OTHER INCOME

	Group	
	2022	2021
	$'000	$'000
Government credit schemes	190	242
Interest income	239	118
Management fees received from associates (Note 5)	–	75
Fair value (loss) gain on short-term investments	(754)	141
Government grants	208	169
Sponsorships	70	4
Insurance claims	67	244
Sale of waste	40	31
Loss on property, plant and equipment written off	–	(442)
Gain on disposal of property, plant and equipment	–	5
Jobs support scheme	328	3,263
Property tax rebate	–	22
Rental rebate and concessions	1,966	1,716
Fair value loss on investments at FVTPL classified under other income	(748)	(480)
Others	612	893
	2,218	6,001

29 OTHER OPERATING EXPENSES

	Group	
	2022	2021
	$'000	$'000
Cleaning services, repairs and maintenance	3,022	2,391
Credit card commission	2,176	1,546
General supplies	2,846	1,729
Professional fees	1,034	1,227
Transportation fees	462	499
Marketing expense	1,310	894
Other receivables written off	6	–
Loss on disposal of investments	10	–
Other expenses	3,365	3,561
	14,231	11,847

30 INCOME TAX EXPENSE (CREDIT)

	Group	
	2022	2021
	$'000	$'000
Tax expense (credit) comprises:		
Current tax		
- Current year	23	44
- Under provision in respect of prior years	–	337
Withholding tax	89	67
Deferred tax - current year (Note 19)	587	(4,138)
	699	(3,690)

Domestic income tax is calculated at 17% (2021 : 17%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

30 INCOME TAX CREDIT (cont'd)

The total charge for the year can be reconciled to the accounting result as follows:

	Group	
	2022	**2021**
	$'000	**$'000**
Profit/(Loss) before income tax	363	(14,885)
Income tax calculated at 17% (2021 : 17%)	62	(2,530)
Non-deductible (taxable) items, net	289	(526)
Tax effect of share of loss of associates	(3)	75
Recognition of deferred tax benefits previously not recognised	–	(1,769)
Deferred tax benefits not recognised	230	631
Effect of different tax rate of subsidiaries operating in other jurisdiction	98	77
Withholding tax	89	67
Under provision of current tax in respect of prior years	–	337
Others	(66)	(52)
	699	(3,690)

As at the end of the reporting period, the Group have unutilised tax losses of $21,699,000 (2021 : $24,820,000) available for offsetting against their future taxable profits of which $5,271,000 (2021 : $4,915,000) and $5,154,000 (2021 : $4,591,000) will expire in 2027 (2021 : 2026) and 2032 (2021 : 2031) respectively. In the prior year, deferred tax asset had been recognised in respect of $20,069,000 of such losses, in which $3,529,000 was utilised in the current year. No deferred tax asset has been recognised in respect of the current year losses of certain subsidiaries of $1,354,000 (2021 : remaining $4,751,000) as it is not considered probable that there will be future taxable profits available.

31 SEGMENT INFORMATION

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*. The aggregated restaurant business is therefore the Group's only reportable segment.

The accounting policies of the reportable segment are the same as the Group's accounting policies described in Note 2.

31 SEGMENT INFORMATION (cont'd)

Geographical information

The Group operates in Singapore, the PRC and Taiwan.

The following table provides an analysis of the Group's revenue from external customers based on the geographical location where revenue is generated:

	Group	
	2022	**2021**
	$'000	**$'000**
Revenue by geographical market		
Singapore	83,352	44,220
PRC	27,891	31,763
Taiwan	4,317	5,807
Total	115,560	81,790

The following is an analysis of the carrying amount of segment assets analysed by the geographical location in which the assets are located:

	Group	
	2022	**2021**
	$'000	**$'000**
Non-current assets		
Singapore	31,114	27,776
PRC	15,608	18,146
Taiwan	757	1,255
Total	47,479	47,177

The segment assets are made up of non-current assets which comprise property, plant and equipment, right-of-use assets and other non-current asset.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

32 LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	Group	
	2022	**2021**
	$'000	**$'000**
Employment benefits - directors and key management:		
- Salary and allowances	1,205	1,218
- Cost of defined contribution plans	33	40
Employment benefits - directors of subsidiaries:		
- Salary and allowances	563	185
- Cost of defined contribution plans	35	13
- Share based payment	–	2
Directors' fees of the Company	240	173
Audit fees:		
- paid to auditors of the Company	247	199
- paid to other auditors	–	52
Non-audit fees paid to auditors of the Company	51	51
Operating lease expenses [(1)]	3,010	1,084
Cost of inventories recognised as an expense	40,580	30,819
Cost of defined contribution plans included in employee benefit expense	2,263	1,712

(1) Disclosure required by SFRS(I) 16

	Group	
	2022	**2021**
	$'000	**$'000**
Expenses relating to short-term leases and leases of low value assets	1,784	846
Variable lease payments not included in the measurement of the lease liabilities	1,226	238
Total	3,010	1,084

The total cash outflow for leases (including short-term leases and leases of low value assets) amount to $12,849,000 (2021 : $11,627,000).

33 COMMITMENTS

The Group as a lessee

Disclosure required by SFRS(I) 16

As at 30 September 2022, the Group is committed to $374,000 (2021 : $327,000) for short-term leases.

As at 30 September 2022, the Group has outstanding commitments for leases not yet commenced for which the undiscounted lease payments fall due as follows:

	2022	2021
	$'000	$'000
Within one year	215	383
Within two to five years	559	1,756
More than five years	–	146
Total	774	2,285

Contingent rental for the Group payable at certain percentage of monthly gross turnover has been excluded from the lease commitments above.

34 LOSS PER SHARE

The calculation of the loss per share attributable to the ordinary owners of the Company is based on the following data:

	Group	
	2022	2021
	$'000	$'000
Loss per ordinary share		
Loss attributable to owners of the Company ($'000)	(91)	(11,764)
Weighted average number of ordinary shares for purpose of loss per share ('000)	642,309	641,291
Loss per ordinary share - Basic and diluted (cents)	–*	(1.8)

*: Less than (0.1) cents

There were no dilutive equity instruments for 2022 and 2021.

There is no dilution as no share options were granted or were outstanding during the financial year.

The weighted average number of ordinary shares used for the calculation of earnings per share for the comparatives have been adjusted for the weighted average effect of changes in treasury shares transactions during the year.

35 DIVIDENDS

No dividends have been proposed in respect of the financial year ended 30 September 2022 and 2021.

36 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the following SFRS(I) pronouncements relevant to the Group and Company were issued but not effective:

Effective for annual periods beginning on or after 1 January 2022

- Amendments to SFRS(I) 3: *Reference to the Conceptual Framework*
- Amendments to SFRS(I) 1-16: *Property, Plant and Equipment - Proceeds before Intended Use*
- Amendments to SFRS(I) 1-37: *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to SFRS(I)s 2018-2020

Effective for annual periods beginning on or after 1 January 2023

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*
- Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*
- Amendments to SFRS(I) 1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Effective date is deferred indefinitely

- Amendments to SFRS(I) 10 *Consolidated Financial Statements* and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*

Management anticipates that the adoption of the above amendments to SFRS(I)s and annual improvements to SFRS(I)s in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

37 IMPACT OF COVID-19

The significant relaxation of COVID-19 measures and the re-opening of borders in Singapore and all the overseas markets in which the Group has a presence has increased its revenue potential. However, the Group is mindful of its operations in the PRC which recently lifted most COVID-19 measures but is experiencing a surge in COVID-19 cases. The Group anticipates that it may take some time for its PRC operations to attain pre-COVID operating and financial performance. Barring any unforeseen circumstances, the Group is cautiously optimistic of a rebound in its business performance for the next 12 months.

Management has assessed that the Group will be able to maintain sufficient liquidity to enable the Group to continue as a going concern for at least the next 12 months from the date of authorisation of these financial statements. The Group will closely monitor the development of COVID-19 and continuously assess the potential impact on its operations.

STATISTICS OF
SHAREHOLDINGS

As at 19 December 2022

The information in this section does not take into account the aggregate amount of 142,300 shares bought back by the Company from the market on 13 December 2022 and 15 December 2022, as such shares have not been credited into the Company's account as at 19 December 2022.

Total number of issued ordinary shares	:	643,658,465
Total number of issued ordinary shares excluding treasury shares	:	642,157,665
Total number of treasury shares	:	1,500,800
Percentage of treasury shares held against the total number of issued ordinary shares excluding treasury shares	:	0.23%
Class of shares	:	Ordinary shares
Voting rights	:	On a poll: 1 vote for each ordinary share
Number of subsidiary holdings	:	Nil

BREAKDOWN OF SHAREHOLDINGS BY RANGE
AS AT 19 DECEMBER 2022

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	1	0.04	1	0.00
100 - 1,000	186	8.33	120,900	0.02
1,001 - 10,000	970	43.42	6,498,098	1.01
10,001 - 1,000,000	1,049	46.96	64,964,699	10.12
1,000,001 AND ABOVE	28	1.25	570,573,967	88.85
TOTAL	**2,234**	**100.00**	**642,157,665**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	JBO HOLDINGS PTE LTD	292,044,265	45.48
2	CITIBANK NOMINEES SINGAPORE PTE LTD	79,213,163	12.34
3	TAN GEE JIAN	42,254,900	6.58
4	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	40,405,000	6.29
5	DBS NOMINEES (PRIVATE) LIMITED	13,750,500	2.14
6	ANG HON NAM @NG NAM TECK	11,503,892	1.79
7	SEE BOON HUAT	10,350,000	1.61
8	POH CHONG PENG	9,010,000	1.40
9	KOH AH SAY @ SEE BOON CHYE	8,178,700	1.27
10	RAFFLES NOMINEES (PTE.) LIMITED	8,017,700	1.25
11	PALM BEACH SEAFOOD RESTAURANT PTE LTD	8,000,000	1.25
12	NG NAM HUAT	5,633,600	0.88
13	NG NAM SOON	5,633,600	0.88
14	NG SIAK HAI	4,081,304	0.64
15	NSH HOLDINGS PTE LTD	3,594,000	0.56
16	PHILLIP SECURITIES PTE LTD	3,534,400	0.55
17	TAN YONG CHUAN JACQUELINE	3,006,352	0.47
18	ONG KIAN KOK	2,558,950	0.40
19	CHRISTINA ANG CHWEE HUAN	2,512,942	0.39
20	NG CHEAU LEE	2,401,656	0.37
	TOTAL	**555,684,924**	**86.54**

STATISTICS OF
SHAREHOLDINGS

As at 19 December 2022

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	**%**	**No. of Shares**	**%**
JBO Holdings Pte. Ltd.[1]	292,044,265	45.5	–	–
Kok Sing Realty (Pte) Ltd[1]	–	–	292,044,265	45.5
Tan Gee Jian	42,254,900	6.6	–	–
Ron Sim Chye Hock	64,166,600	10.0	–	–
Kuang Ming Investments Pte. Limited[2][3]	45,115,000	7.0	–	–
Tan Kim Choo[2]	–	–	45,115,000	7.0
Ng Chee Tat Philip[3]	–	–	45,115,000	7.0

Notes:

(1) Kok Sing Realty (Pte) Ltd has a more than 20.0% interest in JBO Holdings Pte. Ltd.. Kok Sing Realty (Pte) Ltd is deemed interested in the 292,044,265 shares held by JBO Holdings Pte. Ltd. by virtue of Section 7 of the Companies Act 1967 (Singapore).

(2) Kuang Ming Investments Pte. Limited has a direct interest in 45,115,000 shares. Tan Kim Choo has a more than 20.0% interest in Kuang Ming Investments Pte. Limited and is therefore deemed to be interested in the 45,115,000 shares in which Kuang Ming Investments Pte. Limited has an interest.

(3) Kuang Ming Investments Pte. Limited has a direct interest in 45,115,000 shares. Ng Chee Tat Philip has a more than 20.0% interest in Kuang Ming Investments Pte. Limited and is therefore deemed to be interested in the 45,115,000 shares in which Kuang Ming Investments Pte. Limited has an interest.

PUBLIC FLOAT

Based on the information available to the Company as at 19 December 2022, approximately 25.5% of the total number of issued shares in the Company was held in the hands of the public as defined in the Catalist Rules. Accordingly, Rule 723 of the Catalist Rules has been compiled with.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of JUMBO GROUP LIMITED (the "**Company**") will be convened and held by way of electronic means on 31 January 2023 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 September 2022 ("**FY2022**") together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to Regulation 89 of the constitution of the Company ("**Constitution**"):

Mr. Ang Kiam Meng	(Regulation 89) *[See Explanatory Note (i)]*	**(Resolution 2)**
Mr. Tan Cher Liang	(Regulation 89) *[See Explanatory Note (ii)]*	**(Resolution 3)**
Ms. Sim Yu Juan Rachel	(Regulation 89) *[See Explanatory Note (iii)]*	**(Resolution 4)**

3. To approve the payment of directors' fees of up to S$258,000 for the financial year ending 30 September 2023. **(Resolution 5)**

4. To re-appoint Deloitte & Touche LLP as the Company's auditors and to authorise the Directors to fix their remuneration. **(Resolution 6)**

5. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to allot and issue shares in the capital of the Company - Share Issue Mandate**

"That, pursuant to Section 161 of the Companies Act 1967 (Singapore) (the "**Companies Act**"), the Constitution and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Section B: Rules of Catalist ("**Catalist Rules**"), the board of directors of the Company ("**Board**" or "**Directors**") be and is hereby authorised to:

(i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(iii) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority is in force (notwithstanding that such issue of Shares pursuant to the Instrument may occur after the expiration of the authority contained in this resolution), provided that:

(A) the aggregate number of Shares issued pursuant to such authority (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this resolution) does not exceed 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the then existing shareholders of the Company ("**Shareholders**") (including Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) does not exceed 50.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (B) below);

(B) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (A) above, the total number of issued Shares shall be based on the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of this resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) (where applicable) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this authority is passed, provided the options or awards were granted in compliance with the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

(C) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being in force; and

(D) (unless revoked or varied by the Company in a general meeting), the authority conferred by this resolution shall continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note (iv)] **(Resolution 7)**

7. **Authority to allot and issue Shares under the Jumbo Employee Share Option Scheme**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant options in accordance with the Jumbo Employee Share Option Scheme ("**Share Option Scheme**") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of options granted by the Company under the Share Option Scheme established by the Company upon the exercise of such options in accordance with the terms and conditions of the Share Option Scheme, provided always that the aggregate number of Shares issued and/or issuable pursuant to the Share Option Scheme, the Jumbo Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."

[See Explanatory Note (v)] **(Resolution 8)**

8. **Authority to allot and issue Shares under the Jumbo Performance Share Plan**

"That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to grant awards in accordance with the Jumbo Performance Share Plan ("**Performance Share Plan**") and allot and issue from time to time such number of Shares in the capital of the Company to the holders of awards granted by the Company under the Performance Share Plan established by the Company upon the vesting of such share awards in accordance with the terms and conditions of the Performance Share Plan, provided always that the aggregate number of Shares issued and/or issuable pursuant to the Share Option Scheme, the Performance Share Plan and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier."
[See Explanatory Note (vi)] **(Resolution 9)**

9. **The proposed renewal of the Share Buyback Mandate**

That:

(i) for the purposes of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as defined herein), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as defined herein), whether by way of:

(A) on-market purchases, transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other securities exchange on which the Shares may, for the time being, be listed ("**Market Purchase**"); and/or

(B) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) which shall satisfy all the conditions prescribed by the Companies Act, as may be determined or formulated by the Directors as they may consider fit ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws, regulations and the Catalist Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

(ii) the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of passing of this resolution and expiring on the earliest of:

(A) the date on which the next AGM is held or required by law to be held;

(B) the date on which the purchase(s) of Shares pursuant to the Share Buyback Mandate are carried out to the full extend mandated; or

(C) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by Shareholders in a general meeting,

(the "**Relevant Period**");

(iii) in this resolution:

"**Prescribed Limit**" means 10.0% of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) as at the date of passing of this resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered, excluding any treasury shares and subsidiary holdings, that may be held by the Company from time to time);

"**Maximum Price**" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(A) in the case of a Market Purchase, 105.0% of the Average Closing Price (as defined herein); and

(B) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120.0% of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) trading days on which the Shares are transacted on the Catalist or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs after the relevant 5-day period; and

"**date of the making of the offer**" means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(iv) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution. **(Resolution 10)**

By Order of the Board

Chee Yuen Li, Andrea
Secretary

Singapore, 16 January 2023

Explanatory Notes:

(i) Detailed information on Mr. Ang Kiam Meng can be found in the Company's FY2022 annual report ("**FY2022 AR**"). Mr. Ang Kiam Meng, if re-elected as Director, will remain as Group CEO and Executive Director of the Company, and as a member of the Nominating Committee and Investment Committee. Mr. Ang Kiam Meng is the spouse of Mdm. Tan Yong Chuan, Jacqueline (Executive Director) and brother of Mrs. Christina Kong Chwee Huan (Executive Director). Saved as disclosed in the Company's FY2022 AR, there are no relationships including immediate family relationships between Mr. Ang Kiam Meng and the other Directors, the Company, its related corporations, its substantial Shareholders or its officers.

(ii) Detailed information on Mr. Tan Cher Liang can be found in the Company's FY2022 AR. Mr. Tan Cher Liang, if re-elected as Director, will remain as the Chairman of the Company and Audit Committee and as a member of the Nominating Committee, Remuneration Committee and Investment Committee, and shall be considered independent for the purposes of Rule 704(7) of the Catalist Rules. Mr. Tan Cher Liang has no relationship with the Directors, the Company, its related corporations, its substantial Shareholders or its officers.

(iii) Detailed information on Ms. Sim Yu Juan Rachel can be found in the Company's FY2022 AR. Ms. Sim Yu Juan Rachel, if re-elected as Director, will remain as the Non-Executive Director of the Company. Ms. Sim Yu Juan Rachel is the daughter of Mr. Ron Sim Chye Hock, who is a substantial Shareholder of the Company. Saved as disclosed in the Company's FY2022 AR, there are no relationships including immediate family relationships between Ms. Sim Yu Juan Rachel and the other Directors, the Company, its related corporations, its substantial Shareholders or its officers.

(iv) The Ordinary Resolution 7 proposed in item 6 above, if passed, will empower the Directors to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50.0% may be issued other than on a *pro-rata* basis to Shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when the Ordinary Resolution 7 is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(v) The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors, to allot and issue such number of fully paid Shares upon the exercise of such options in accordance with the provisions of the Share Option Scheme.

(vi) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors, to allot and issue such number of fully paid Shares upon the vesting of such awards in accordance with the provisions of the Performance Share Plan.

Notes on the alternative arrangements for the AGM:

General

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this notice of AGM ("**Notice**"), the proxy form and the FY2022 AR will not be sent to Shareholders. Instead, the documents will be made available to Shareholders via publication on SGXNET and the Company's website.

Participation in the AGM via live webcast or live audio feed

2. As the AGM will be held by way of electronic means, Shareholders will **NOT** be able to attend the AGM in person. All Shareholders or their corporate representatives (in the case of Shareholders which are legal entities) will be able to participate in the AGM proceedings by accessing a live webcast or live audio feed. To do so, Shareholders are required to pre-register their participation in the AGM ("**Pre-registration**") at the link: https://go.lumiengage.com/jglagm ("**AGM Registration and Q&A Link**") by **10.00 a.m. on 28 January 2023** ("**Registration Deadline**") for verification of their status as Shareholders (or the corporate representatives of such Shareholders).

3. Upon successful verification, each such Shareholder or its corporate representative will receive an email by **10.00 a.m. on 30 January 2023**. The email will contain instructions to access the live webcast or live audio feed of the AGM proceedings. Shareholders or their corporate representatives must not forward the email to other persons who are not Shareholders and who are not entitled to participate in the AGM proceedings. Shareholders or their corporate representatives who have pre-registered by the Registration Deadline in accordance with paragraph 2 above but did not receive an email by **10.00 a.m. on 30 January 2023** may contact the Company for assistance via email at JGLAGM2023@boardroomlimited.com or alternatively call +65 6536 5355 during office hours on 30 January 2023.

4. Shareholders holding Shares through relevant intermediaries (other than SRS investors) will not be able to pre-register for the live webcast or live audio feed. Such Shareholders who wish to participate in the live webcast or live audio feed of the AGM should instead approach his/her relevant intermediary as soon as possible in order to make the necessary arrangements.

Voting by proxy

5. Shareholders who wish to vote on any or all of the resolutions at the AGM may vote "live" via electronic means at the AGM or by appointing proxy(ies) or the Chairman of the AGM as proxy to vote on his/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, Shareholders must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. SRS investors who wish to vote "live" via electronic means at the AGM may do so if they are appointed as proxies by their respective SRS Operators, and should approach their respective SRS Operators if they have any queries regarding their appointment as proxies.

7. The duly executed proxy form must be submitted in the following manner:

   (i) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (ii) if submitted electronically, be submitted via email to the Company's Share Registrar at JGLAGM2023@boadroomlimited.com,

   in either case, not less than **72 hours** before the time appointed for holding the AGM.

8. Shareholders who hold their Shares through a Relevant Intermediary as defined in Section 181 of the Companies Act (including SRS investors and holders under depository agents) and who wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective Relevant Intermediaries (including their respective SRS approved banks or depository agents) to submit their voting instructions by **5.00 p.m. on 19 January 2023**, being 7 working days before the date of the AGM.

Submission of questions prior to the AGM

9. Shareholders and/or their proxy(ies) may (i) submit questions related to the resolutions to be tabled at the AGM during Pre-registration via the AGM Registration and Q&A Link at https://go.lumiengage.com/jglagm, or by email together with their full name (as per CDP records), identification number, and contact number by **5.00 p.m. on 25 January 2023** to JGLAGM2023@boardroomlimited.com, so that they may be addressed during the AGM proceedings; or (ii) submit text-based questions during the AGM by typing in and submitting their questions through the "live" ask-a-question function via the webcast platform during the AGM.

10. The Company will endeavour to address relevant and substantial questions (as may be determined by the Company in its sole discretion) received before and during the AGM, at the AGM.

11. The Company will publish the minutes of the AGM on SGXNET and the Company's website within 1 month after the date of AGM.

Voting

12. Live voting will be conducted during the AGM. It is important for attendees to ensure their own web-browser enabled devices are ready for voting during the AGM.

13. Attendees will be required to log-in via the email address provided during Pre-registration or as indicated in the proxy form.

    (i) Live voting: Attendees may cast their votes in real time for each resolution to be tabled via the live webcast through the login credentials created during Pre-registration. Attendees will have the opportunity to cast their votes via the live voting feature.

    (ii) Voting via appointing the Chairman of the AGM as proxy: As an alternative to live voting, Shareholders may also appoint the Chairman of the AGM as his/her/its proxy to vote on their behalf. Please refer to the "**Voting by proxy**" section above for the manner of submission.

Personal Data Privacy:

By attending the AGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and/or representatives appointed for the AGM and/or any adjournment thereof and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM and/or any adjournment thereof, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where a member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADDITIONAL INFORMATION ON
DIRECTORS SEEKING RE-ELECTION

Mr. Ang Kiam Meng, Mr. Tan Cher Liang and Ms. Sim Yu Juan Rachel are Directors seeking re-election at the forthcoming AGM to be convened and held by way of electronic means on 31 January 2023 (collectively, the "**Retiring Directors**").

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**"), the information relating to the Retiring Directors as set out in Appendix 7F of the Catalist Rules, is as set out below:

	Mr. Ang Kiam Meng	**Mr. Tan Cher Liang**	**Ms. Sim Yu Juan Rachel**
Date of appointment	4 February 2015	22 October 2015	17 February 2020
Date of last re-appointment	17 January 2020	29 January 2021	29 January 2021
Age	60	70	33
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Ang as Group CEO and Executive Director was recommended by the Nominating Committee ("**NC**") and approved by the Board, after taking into consideration Mr. Ang's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director.	The re-election of Mr. Tan as Independent Director was recommended by the NC and approved by the Board, after taking into consideration Mr. Tan's qualifications, expertise, past experiences and overall contribution since he was appointed as a Director.	The re-election of Ms. Sim Yu Juan Rachel as Non-Executive Director was recommended by the NC and approved by the Board, after taking into consideration Ms. Sim's qualifications, expertise, past experiences and overall contribution since she was appointed as a Director.
Whether appointment is executive, and if so, the area of responsibility	Executive Mr. Ang is appointed as Group CEO and Executive Director and he is responsible for the overall management, operations, strategic planning and business development of the Group.	Non-Executive	Non-Executive
Job title	• Group CEO • Executive Director • Member of the Nominating and Investment Committees	• Independent Chairman • Chairman of the Audit Committee • Member of the Nominating, Renumeration and Investment Committees	• Non-Executive Director

ADDITIONAL INFORMATION ON
DIRECTORS SEEKING RE-ELECTION

	Mr. Ang Kiam Meng	**Mr. Tan Cher Liang**	**Ms. Sim Yu Juan Rachel**
Professional qualifications	• Graduate Diploma in Business Administration, Singapore Institute of Management • Bachelor of Arts (majoring in Computer Science), University of Texas at Austin, USA	• Fellow of the Association Certified and Chartered Accountants (UK)	-
Working experience and occupation during the past 10 years	• July 2010 - Present: Jumbo Group Limited, Group CEO	• Managing Director & Finance Director of Boardroom Limited up to 31 March 2013 • Retired and remained an Advisor to Boardroom Limited • Held directorship in various public listed companies, private and non-profit making companies	• 2022 - Present: Deputy Managing Director of TWG Tea Co Pte Ltd • 2019 - 2022: Head of Global Marketing Team, TWG Tea Co Pte Ltd • 2010 - 2019: Senior Marketing Manager of TWG Tea Co Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	Please refer to the "Directors' Interests in Shares and Debentures" section on page 50 of the FY2022 AR.		
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	• Mdm. Tan Yong Chuan, Jacqueline (spouse of Mr. Ang Kiam Meng) • Mrs. Christina Kong Chwee Huan (sister of Mr. Ang Kiam Meng)	• No	• Mr. Ron Sim Chye Hock (father of Ms. Sim Yu Juan Rachel)
Conflict of interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rules 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

ADDITIONAL INFORMATION ON
DIRECTORS SEEKING RE-ELECTION

	Mr. Ang Kiam Meng	**Mr. Tan Cher Liang**	**Ms. Sim Yu Juan Rachel**
Other principal commitments including directorships* **"principal commitments" has the same meaning as defined in the Code – "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.*	**Past (for the last 5 years)** None **Present** None	**Past (for the last 5 years)** None **Present** Directorship *Listed Companies* • Food Empire Holdings Limited • IPC Corporation Ltd • Kingsmen Creatives Limited • Vibrant Group Limited • Wilton Resources Corporation Ltd • Ezra Group Limited (In Compulsory Liquidation) *Non-Listed Companies* • Children's Charities Association • D S Lee Foundation • D S Lee Singapore General Pte Ltd • D S Lee Specialists Group Pte Ltd • Deli Sumatra Legacy Co Pte Ltd • DSLSG Investment Co Pte Ltd • E-Bridge Pre-School Pte Ltd • EtonHouse Community Fund Ltd • Hotel Grand SG Legacy Pte Ltd • Nyalas Rubber Estates Limited *Trustee* • Kwan Im Thong Hood Cho Temple *Advisor* • Boardroom Limited	**Past (for the last 5 years)** None **Present** Directorship *Non-Listed Companies* • V3 Brands Asia Limited • V3 Brands Asia Pte Ltd • V3 Brands I Limited • V3 Assets Pte Ltd • V3 Capital Investment Pte Ltd • OSIM International Pte Ltd • TWG Tea Company Pte Ltd • TWG Tea (North Asia) Pte Ltd • TWG Institute Pte Ltd • The Wellbeing Group (HK) Co Ltd • TWG Tea (Macau) Co Ltd • TWG Tea (Beijing) Co Ltd • TWG Tea (Guangzhou) Co Ltd • TWG Tea (Chongqing) Co Ltd • TWG Tea (Shanghai) Co Ltd • Bacha Coffee Pte Ltd • V3 Group Limited • V3 Brands II Limited • V3 Brands Limited • V3 Brands Pte Ltd • V3 Family Pte Ltd • V3 Gourmet Pte Ltd

ADDITIONAL INFORMATION ON
DIRECTORS SEEKING RE-ELECTION

	Mr. Ang Kiam Meng	Mr. Tan Cher Liang	Ms. Sim Yu Juan Rachel
Information Required			
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
c) Whether there is any unsatisfied judgement against him?	No	No	No

		Mr. Ang Kiam Meng	Mr. Tan Cher Liang	Ms. Sim Yu Juan Rachel
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

ADDITIONAL INFORMATION ON
DIRECTORS SEEKING RE-ELECTION

		Mr. Ang Kiam Meng	Mr. Tan Cher Liang	Ms. Sim Yu Juan Rachel
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–			
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	Yes Mr. Tan is an Independent Director of Vibrant Group Limited ("**Vibrant**") since 5 November 2003. A special auditor was appointed on 21 August 2018 to investigate into irregularities as well as the assets and accounting records of Blackgold International Holdings Pty Ltd ('**Blackgold**") and its subsidiaries (collectively, "**Blackgold Group**").	No

	Mr. Ang Kiam Meng	Mr. Tan Cher Liang	Ms. Sim Yu Juan Rachel
		Blackgold was listed on the Australian Securities Exchange ("**ASX**") in 2011 and became Vibrant's wholly-owned subsidiary following Vibrant's acquisition in July 2017 and delisted from the ASX thereafter. On 14 August 2020, the Singapore Exchange Securities Trading Limited ("**SGX-ST**") issued a regulatory announcement after its review of the special report received on 24 January 2019 which uncovered (i) potential significant misstatements in Blackgold Group's financial statements and (ii) Blackgold management may have potentially falsified accounting records and announced false financial statement on the ASX when Blackgold was listed. In its announcement, the SGX-ST stated that (i) it has reported the accounting irregularities in Blackgold Group and conduct of Blackgold's statutory auditors to the accounting authorities and (ii) it is concerned about the findings relating to Blackgold management and therefore requires SGX-listed companies to consult it before the appointment of Blackgold management as a director or key management. Mr. Tan was at no time a subject of the special audit. Mr. Tan, together with his fellow members of the audit committee and board of directors of Vibrant, oversaw the special audit.	

		Mr. Ang Kiam Meng	Mr. Tan Cher Liang	Ms. Sim Yu Juan Rachel
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

JUMBO GROUP LIMITED

Company Registration Number 201503401Z
(Incorporated in Singapore)

PROXY FORM

(Please see notes overleaf before completing this form)

IMPORTANT

1. A relevant intermediary may appoint more than 2 proxies to attend the AGM and vote (please see Note 3 for the definition of "relevant intermediary").
2. This proxy form is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. Such investors should approach their Relevant Intermediary as soon as possible to specify voting instructions. SRS investors should approach their respective SRS Operators at least 7 working days before the AGM to ensure their votes are submitted.
3. PLEASE READ THE NOTES TO THE PROXY FORM.

I/We, ______________________________ (name)

of ______________________________ (address)

being a member/members of **JUMBO GROUP LIMITED** (the "**Company**"), hereby appoint:

Name	Proportion of Shareholding to be represented	
	No. of Shares	%

and/or (deleted as appropriate)

or failing him/her/them, the Chairman of the annual general meeting, as my/our proxy/proxies, to attend and vote for or against or abstain from voting on the Resolutions to be proposed at the eighth annual general meeting of the Company (the "**AGM**") as indicated hereunder, for me/us and on my/our behalf at the AGM to be held by way of electronic means on Tuesday, 31 January 2023 at 10.00 a.m. and at any adjournment thereof.

If you wish to exercise all your votes "For" or "Against" a Resolution, please tick [✓] within the "For" or "Against" box provided. Alternatively, please indicate the number of votes "For" or "Against" the relevant Resolution.

If you wish to abstain from voting on a Resolution, please tick [✓] within the "Abstain" box provided. Alternatively, please indicate the number of votes in the "Abstain" box for the relevant Resolution.

No.	Resolutions relating to:	For	Against	Abstain
1.	Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2022			
2.	Re-election of Mr. Ang Kiam Meng as a Director			
3.	Re-election of Mr. Tan Cher Liang as a Director			
4.	Re-election of Ms. Sim Yu Juan Rachel as a Director			
5.	Directors' fees of up to S$258,000 for the financial year ending 30 September 2023			
6.	Re-appointment of Deloitte & Touche LLP as auditors of the Company			
7.	Authority to allot and issue shares - Share Issue Mandate			
8.	Authority to allot and issue shares under the Jumbo Employee Share Option Scheme			
9.	Authority to allot and issue shares under the Jumbo Performance Share Plan			
10.	The proposed renewal of the Share Buyback Mandate			

Dated this ________ day of ______________ 2023

Total number of Shares in:	No. of Shares Held
(a) CDP Register	
(b) Register of Members	

____

Signature(s) of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 (Singapore)), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members of the Company, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members of the Company. If no number is inserted, this proxy form will be deemed to relate to all the shares held by you.

2. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Members will not be able to attend the AGM in person. If a member wishes to exercise his/her/its voting rights at the AGM, he/she/it may cast his/her/its votes remotely in real time via electronic means. Members may also appoint a proxy or proxies to vote on his/her/its behalf at the AGM. Members may also vote at the AGM by appointing the Chairman of the AGM as proxy to vote on his/her/its behalf at the AGM. This proxy form may be accessed and downloaded from SGXNET and the Company's website. A printed copy of this proxy form will not be despatched to members. In appointing the Chairman of the AGM as proxy, members must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

3. A member who is a relevant intermediary entitled to attend and vote at the AGM is entitled to appoint more than 2 proxies to attend and vote at the AGM instead of such member, but each such proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than 2 proxies, the appointments shall be invalid unless the member specifies the number of shares in relation to which each proxy has been appointed. "relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 (Singapore).

4. A proxy need not be a member of the Company.

5. This proxy form must be submitted to the Company in the following manner:

   (i) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (ii) if submitted electronically, be submitted via email to the Company's Share Registrar at JGLAGM2023@boardroomlimited.com,

   in either case, not less than **72 hours** before the time appointed for holding the AGM.

6. This proxy form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where this proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where this proxy form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this proxy form, failing which this proxy form shall be treated as invalid.

General:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM.

JUMBO GROUP LIMITED
(Company Registration Number 201503401Z)
(Incorporated in the Republic of Singapore)

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