



AGM

26 April 2016

**Shareholders'
Presentation**





Disclaimer

This presentation may contain forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. Such risks and uncertainties include industry and economic conditions, competition, and legal, governmental and regulatory changes. The forward-looking statements reflect the current views of Management on future trends and developments.



Industry Overview

Gradual improvement in industry processing margin

- Margin improvement and higher sale volume , especially in 2H 2015 drove processing profitability

Less intense price competition

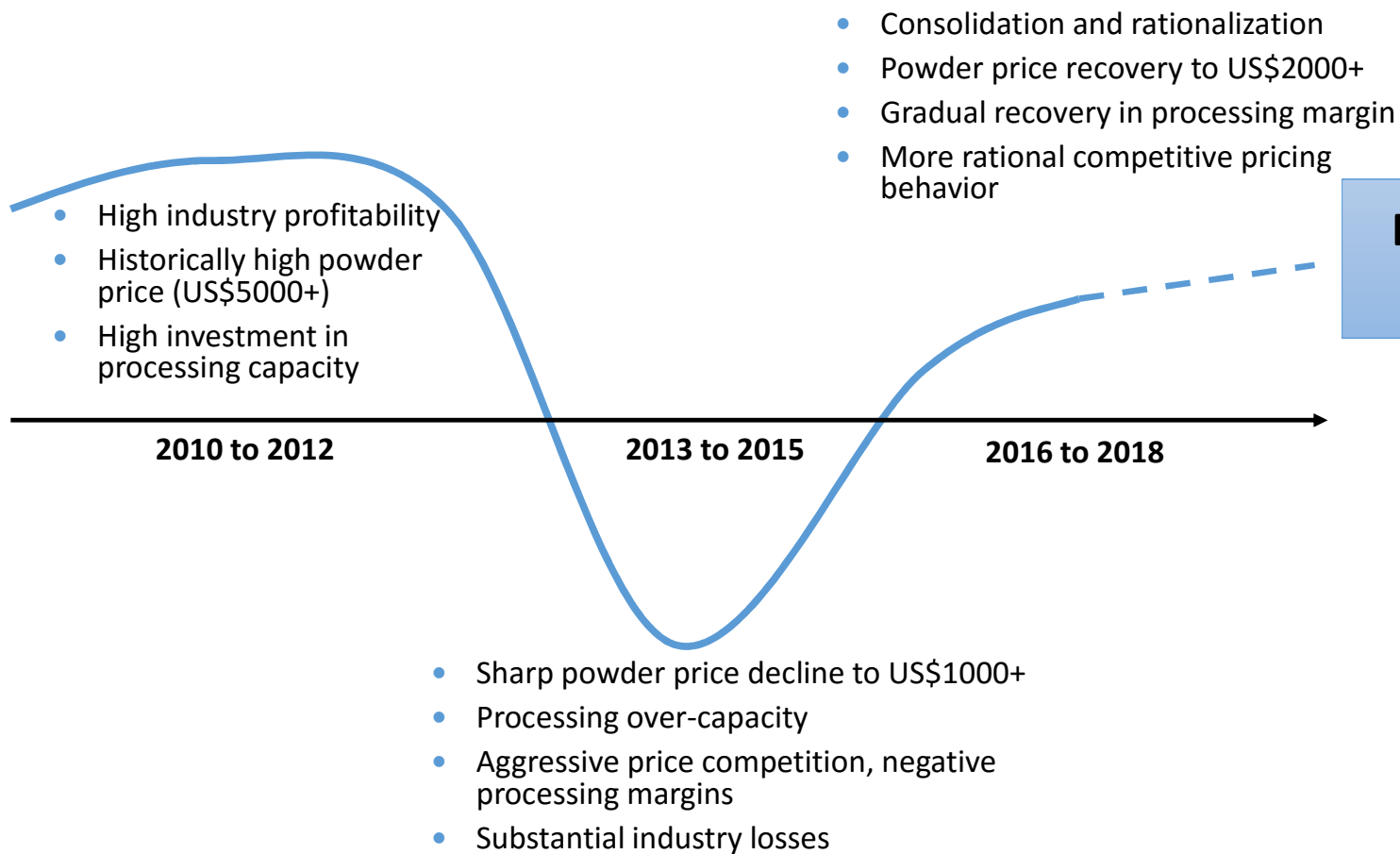
- Consolidation and rationalization created a more benign market for cocoa products

Overall business conditions remain uncertain

- Global economic slowdown; heightened volatility in equities, commodity and FX markets



Cocoa Processing Industry Cycle





Industry Outlook

Negative Factors

- Uncertainties in global economies
- High bean cost

Potential demand risk, mitigated by resilience in cocoa consumption

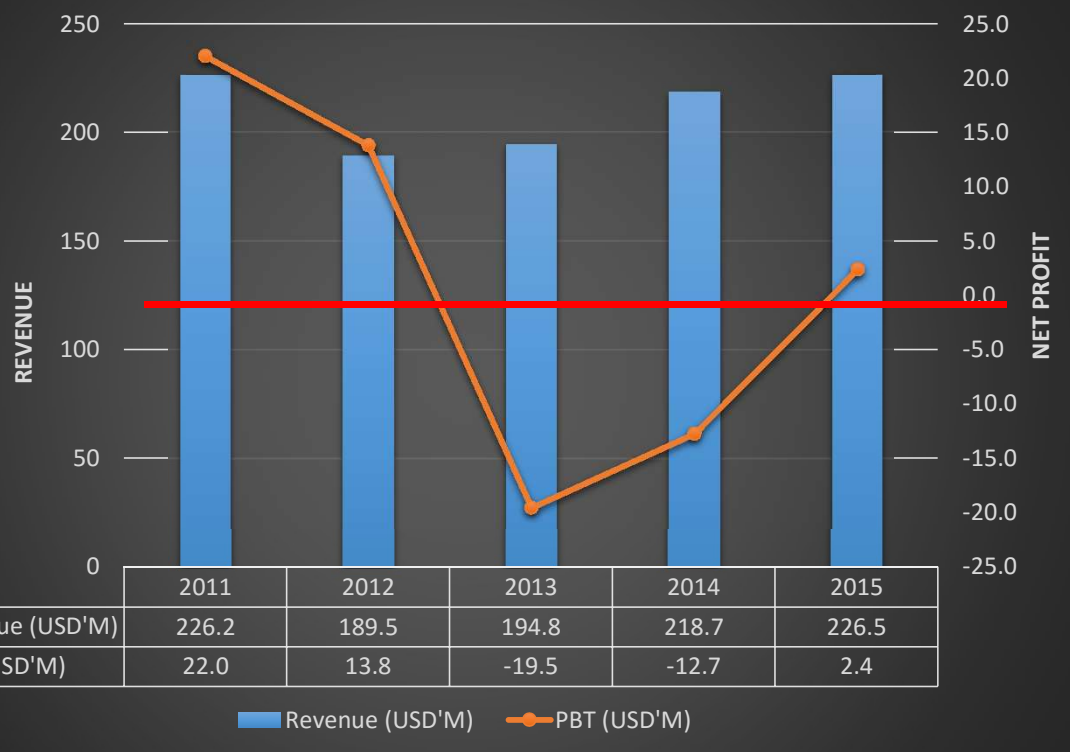
Positive Factors

- Good consumption growth prospects in Asia, driven by rising income
- New factories in Asia by confectionery giants

Industry recovery and margin improvements



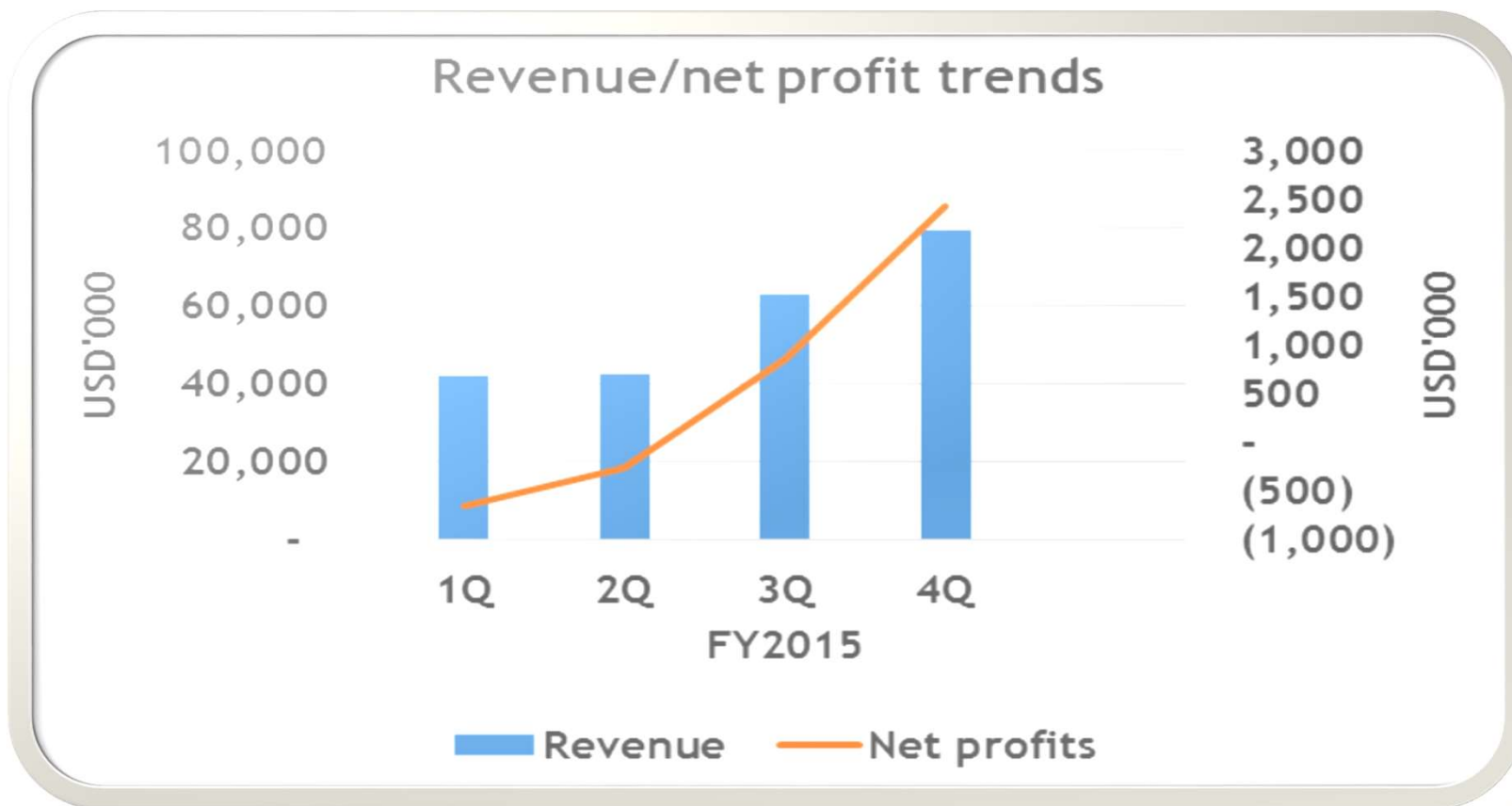
Profitable Business Turnaround in FY2015



- Revenue grew 3.6% year-on-year
- Healthy operating cashflow at USD9.4 million in FY2015

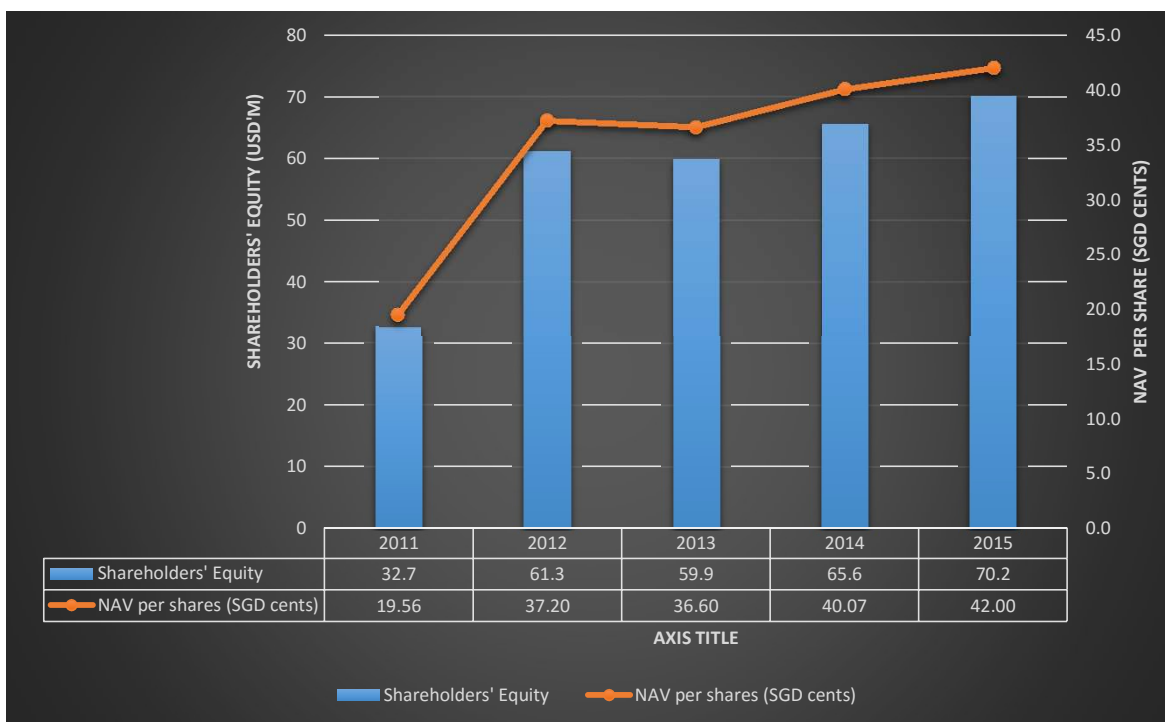


Improving FY15 Quarterly Profit Trend





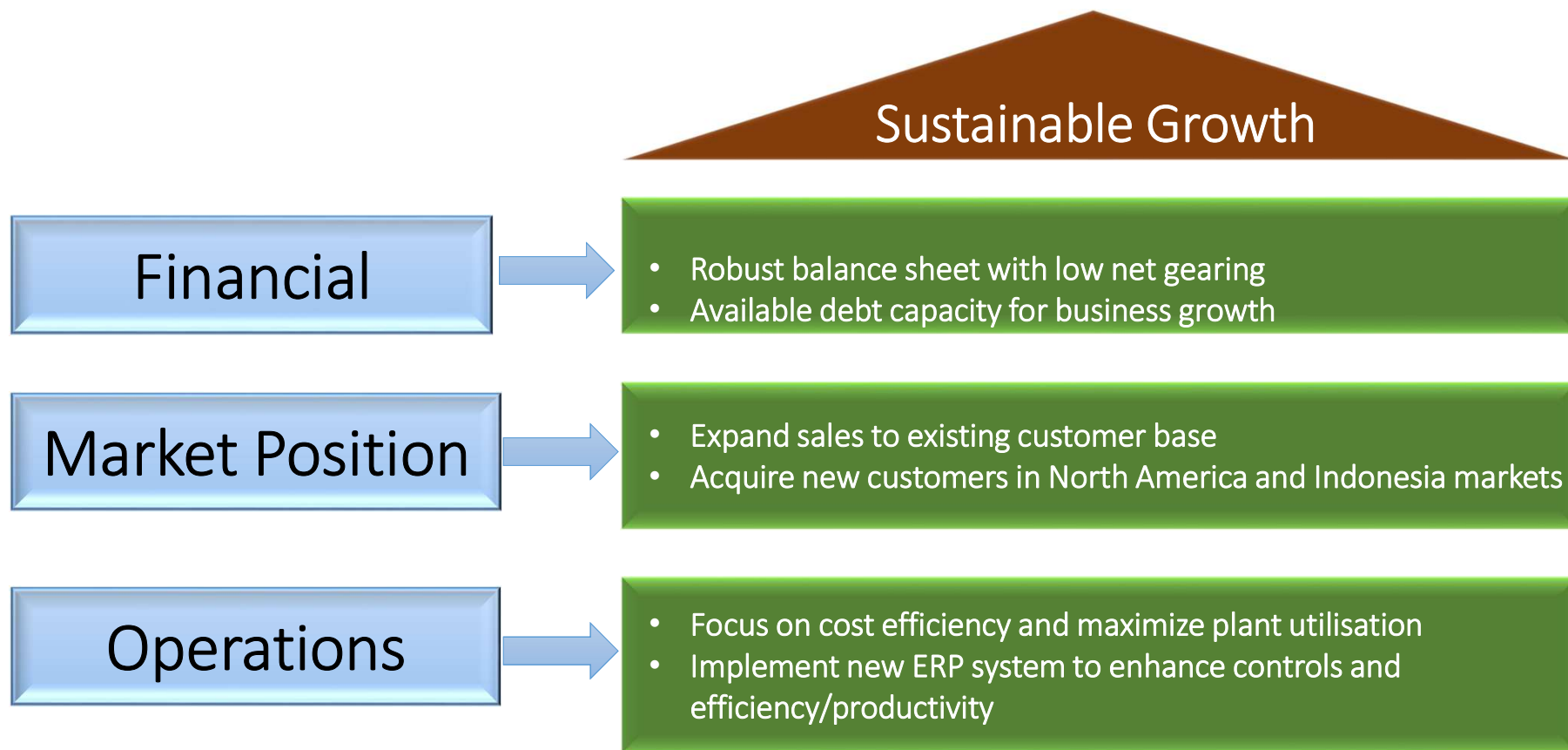
Robust Balance Sheet



- Well-capitalised with shareholders' equity at USD70m (end 2015)
- Share price of SGD0.25 (as at 18 Apr 2016) was **40% discount** to FY2015's NAV at SGD0.42



Build Market Position for Sustainable Growth





JB Foods' Competitive Strengths

Competitive cost structure

- Management focus on lean management and low overhead structure

Management focus

- Efficient and nimble decision making
- Relentless focus on product and customer service quality

Loyal and supportive customer base

- Mars, Nestle, Mondelez and Hersheys are our long standing customers

Strong technical competence

- Proven capability to build cocoa processing factories at lower cost than competitors
- Capability to customize cocoa powder to suit customers' requirements



Our Cocoa Processing Factories

Indonesia Factory



- State-of-the-art 60,000mt bean equivalent processing facility
- Commenced operations in 2013

Malaysia Factory



- State-of-the-art 85,000mt bean equivalent processing facility
- Commenced operations in 2003



Our Products



Cocoa Beans



Cocoa Liquor/Mass



Cocoa Cake



Cocoa Powder



Cocoa Butter





Our Customers

MARS

Mondelēz
International

meiji



HERSHEY'S
Chocolate World®





Key Takeaways

- Early stage industry recovery
- Balanced business growth strategy
 - Build and expand sustainable customer base
 - Optimise factory utilisation
 - Build customer value proposition through world-class product quality and service
- Focus on long term sustainable shareholders' value



Thank You

