

THIRD QUARTER RESULTS \* FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

Like  0

\* Asterisks denote mandatory information

<b>Name of Announcer *</b>	JB FOODS LIMITED
<b>Company Registration No.</b>	201200268D
<b>Announcement submitted on behalf of</b>	JB FOODS LIMITED
<b>Announcement is submitted with respect to *</b>	JB FOODS LIMITED
<b>Announcement is submitted by *</b>	LEE WEI HSIUNG
<b>Designation *</b>	COMPANY SECRETARY
<b>Date &amp; Time of Broadcast</b>	12-Nov-2012 18:10:22
<b>Announcement No.</b>	00154

>> ANNOUNCEMENT DETAILS

The details of the announcement start here

<b>For the Financial Period Ended *</b>	30-09-2012
<b>Description</b>	<p>PLEASE REFER TO THE ATTACHMENTS.</p> <p>The initial public offering of JB Foods Limited was sponsored by AmFraser Securities Pte. Ltd. (a member of AmInvestment Bank Group) and Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte. Limited) (the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this announcement.</p>
<b>Attachments</b>	<p> JBFOODSLTDTHIRDQUARTERannouncement.pdf</p> <p> JBFoodslimited.PressRelease.pdf</p> <p>Total size = <b>335K</b> (2048K size limit recommended)</p>



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

Unaudited Financial Statements and Dividend Announcement  
For the 3rd Quarter and 9 months Period Ended 30 September 2012

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (1Q, 2Q, 3Q & 4Q), HALF YEAR AND FULL YEAR RESULTS

**TABLE OF CONTENTS**

1 (a)	Statements of Comprehensive Income	2
1 (b)	Statements of Financial Position	5
1 (c)	Statements of Cash Flows	7
1 (d)	Statements of Changes in Equity	9
2	Audit	12
3	Auditors' report	12
4	Accounting Policies	13
5	Changes in Accounting Policies	13
6.	Earnings per Share ("EPS")	13
7.	Net asset value ("NAV") per share	13
8.	Review of Group Performance	14
9.	Variance from Prospect Statement	17
10.	Prospects	17
11.	Dividend	18
12.	Use of IPO proceeds	18
13.	Negative Assurance	18
14.	Interested Person Transactions	19

**COMPARATIVE STATEMENT**

For the purpose of this announcement, the results of the Group for the financial period ended 30 September 2012 and the comparative results of the Group for the financial period ended 30 September 2011 have been prepared on the assumption that the Group structure following the completion of the Restructuring Exercise has been in place since 1 January 2011.

*The initial public offering of JB Foods Limited was sponsored by AmFraser Securities Pte. Ltd. (a member of AmInvestment Bank Group) and Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte. Limited) (the "Joint Issue Managers"). The Joint Issue Managers assume no responsibility for the contents of this announcement.*



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group			
	3Q ended 30 September			9 months ended 30 September			
	2012	2011	%	2012	2011	%	
Notes	RM'000	RM'000		RM'000	RM'000		
Revenue		116,702	173,833	(32.9)	388,295	518,835	(25.2)
Cost of sales		(101,999)	(151,416)	(32.6)	(336,255)	(456,924)	(26.4)
Gross profit		14,703	22,417	(34.4)	52,040	61,911	(15.9)
<b>Other items of income</b>							
Interest income		39	19	105.3	86	78	10.3
Other income	1	164	11	1,390.9	2,156	44	4,800.0
<b>Other items of expense</b>							
Selling and distribution expenses		(1,732)	(1,439)	20.4	(4,808)	(4,720)	1.9
Administrative expenses		(1,973)	(2,390)	(17.4)	(5,680)	(6,264)	(9.3)
Other expenses		(2,068)	(5,217)	(60.4)	(2,331)	(3,175)	(26.6)
Finance costs	2	(721)	(677)	6.5	(2,589)	(1,787)	44.9
Profit before income tax	3	8,412	12,724	(33.9)	38,874	46,087	(15.7)
Income tax	4	1,086	(3,048)	(135.6)	(6,899)	(11,040)	(37.5)
Profit for the financial period,		9,498	9,676	(1.8)	31,975	35,047	(8.8)
<b>Other comprehensive income for the financial period</b>							
Currency translation difference		(439)	-	n.m.	(439)	-	n.m.
Income tax relating to components of other comprehensive income		-	-	n.m.	-	-	n.m.
Other comprehensive income for the financial period		(439)	-	n.m.	(439)	-	n.m.
Total comprehensive income for the financial period		9,059	9,676	(6.4)	31,536	35,047	(10.0)
Profit attributable to owners of the parent		9,498	9,676	(1.8)	31,975	35,047	(8.8)
Total comprehensive income attributable to owners of the parent		9,059	9,676	(6.4)	31,536	35,047	(10.0)



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.**

**Explanatory notes on Statements of Comprehensive Income**

**Note 1 - Other income**

	3Q ended 30 September			9 months ended 30 September		
	2012	2011	Change	2012	2011	Change
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Fair value gain on derivative financial instruments	124	-	n.m.	566	-	n.m.
Foreign exchange gain, net	-	-	-	1,528	-	n.m.
Write back on impairment loss on receivables	40	11	236.6	62	44	40.9
	<u>164</u>	<u>11</u>	<u>1,390.9</u>	<u>2,156</u>	<u>44</u>	<u>4,800.0</u>

**Note 2 - Finance costs**

	3Q ended 30 September			9 months ended 30 September		
	2012	2011	Change	2012	2011	Change
	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>	<u>RM'000</u>	<u>RM'000</u>	<u>%</u>
Interest expenses:						
- finance lease	-	1	n.m.	-	2	n.m.
- term loans	9	23	(60.9)	37	78	(52.6)
- trade bills	664	653	1.7	2,357	1,707	38.1
- bridging loan	48	-	n.m.	195	-	n.m.
	<u>721</u>	<u>677</u>	<u>6.5</u>	<u>2,589</u>	<u>1,787</u>	<u>44.9</u>

n.m. – Not Meaningful

**Note 4 – Income Tax**

Included in 9M2012 was an over-provision of income tax of a subsidiary for Year of Assessment (YA) 2010 & 2011 amounting to RM1,205,177 and RM2,218,239 respectively due to unclaimed Investment Tax Allowance (ITA) in YA 2010 and 2011.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**Note 3 - Profit before income tax**

**Profit before income tax** is arrived after (deducting)/crediting the following:

	<b>3Q ended 30 September</b>			<b>9 months ended 30 September</b>		
	<b>2012</b>	<b>2011</b>	<b>Change</b>	<b>2012</b>	<b>2011</b>	<b>Change</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Depreciation of property, plant and equipment	<b>(1,387)</b>	(1,324)	4.8	<b>(4,150)</b>	(3,852)	7.7
Amortisation of prepaid lease payments	<b>(123)</b>	(189)	(34.9)	<b>(369)</b>	(458)	(19.4)
Fair value gain/(loss) on derivative financial instruments	<b>124</b>	(2,015)	n.m.	<b>566</b>	(2,324)	n.m.
Listing expenses	<b>118</b>	(202)	(158.4)	<b>(823)</b>	(286)	187.8
Allowance for doubtful third parties trade receivables	<b>-</b>	-	n.m.	<b>(19)</b>	(14)	n.m.

n.m. – Not Meaningful



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediate preceding financial year.**

	Group		Company	
	30-Sep-12	31-Dec-11	30-Sep-12	31-Dec-11
	RM'000	RM'000	RM'000	RM'000
<b>Non-current assets</b>				
Investment in subsidiaries	-	-	101,292	-
Property, plant and equipment	103,139	81,766	-	-
Prepaid lease payments	5,882	6,251	-	-
	<u>109,021</u>	<u>88,017</u>	<u>101,292</u>	<u>-</u>
<b>Current assets</b>				
Inventories	148,414	138,469	-	-
Trade and other receivables	51,964	50,622	54,592	-
Prepayment	170	66	-	-
Derivative financial instruments	198	-	-	-
Cash and cash equivalent	29,188	48,630	14,604	-
	<u>229,934</u>	<u>237,787</u>	<u>69,196</u>	<u>-</u>
Less:				
<b>Current liabilities</b>				
Trade and other payables	31,074	62,045	10,211	-
Derivative financial instruments	-	368	-	-
Bank borrowings	110,525	142,179	-	-
Finance lease payables	-	31	-	-
Current tax liabilities	2,627	9,759	-	-
	<u>144,226</u>	<u>214,382</u>	<u>10,211</u>	<u>-</u>
Net current assets	<u>85,708</u>	<u>23,405</u>	<u>58,985</u>	<u>-</u>
Less:				
<b>Non-current liability</b>				
Deferred tax liabilities	12,507	11,660	-	-
	<u>12,507</u>	<u>11,660</u>	<u>-</u>	<u>-</u>
Net assets	<u>182,222</u>	<u>99,762</u>	<u>160,277</u>	<u>-</u>
<b>EQUITY</b>				
Share capital	160,717	27,500	160,717	-
Retained earnings	94,226	72,262	471	-
Other reserves	(72,721)	-	(911)	-
<b>Total equity attributable to owners of the parent</b>	<u>182,222</u>	<u>99,762</u>	<u>160,277</u>	<u>-</u>

Note:

(a) There was no statement of Financial Position for the Company as at 31 December 2011 as the Company was incorporated on 3 January 2012.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**Explanatory notes on Statements of Financial Position**

**Note 1 - Borrowings**

	3Q ended 30 September	31 December	
	2012	2011	Change
	<u>RM'000</u>	<u>RM'000</u>	%
Bank overdraft	1,914	-	n.m.
Trade bills	107,845	134,324	(19.7)
Term loans	766	1,582	(51.6)
Bridging loan	-	6,273	n.m.
Finance lease payable	-	31	n.m.
	<u>110,525</u>	<u>142,210</u>	<u>(22.3)</u>

**1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.**

As at	
30-Sep-12	30-Sep-11
<u>RM'000</u>	<u>RM'000</u>
77,221	100,162
<u>33,304</u>	<u>42,048</u>
<u>110,525</u>	<u>142,210</u>

**Amount repayable in one year or less, or on demand**

- Secured
- Unsecured

**Details of collateral**

The Group's borrowings are secured by the followings

- i) Bank Borrowings
  - a) Joint and several guarantees by certain Directors of the Company;
  - b) Corporate guarantee issued by the holding company and agreed proportion of corporate guarantee by a corporate shareholder;
  - c) First party legal charge over a prepaid lease payment with a carrying amount of RM3,338,874 and RM3,554,496 as at 30 September 2012 and as at 31 December 2011 respectively; and
  - d) Debenture over fixed and floating assets of the subsidiary, both present and future.
- ii) Finance lease is secured by the lessor's title to the leased assets, which will revert to the lessors in the event of default by the Group.

The unsecured borrowings are secured by :

- a) Joint and several guarantees provided by certain Directors of the Company and
- b) Corporate guarantee issued by the holding company.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**1 (c)(i) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Period ended	
	30-Sep-2012	30-Sep-11
	RM'000	RM'000
<b>Operating Activities</b>		
Profit before income tax	38,874	46,087
Adjustments for:-		
Amortisation of prepaid lease payment	369	458
Depreciation of property, plant & equipment	4,150	3,852
Fair value (gain)/loss on derivative financial instruments	(566)	2,324
Allowance for doubtful third parties trade receivables	19	14
Write-back of allowance of doubtful third parties trade receivables no longer required	(62)	(44)
Unrealised (gain) /loss on foreign exchange	686	(1,402)
Interest expense	2,589	1,787
Interest income	(87)	(78)
<b>Operating cash flow before working capital changes</b>	<b>45,972</b>	<b>52,998</b>
<b>Changes in working capital:</b>		
Inventories	(9,945)	(44,079)
Trade and other receivables	(2,862)	(14,455)
Prepayment	(104)	(28)
Trade and other payables	(17,824)	(14,463)
	<b>15,237</b>	<b>(20,027)</b>
Income tax paid	(13,184)	(3,513)
<b>Net cash generated from/(used in) operating activities</b>	<b>2,053</b>	<b>(23,540)</b>
<b>Investing activities</b>		
Proceeds from disposal of property, plant & equipment	-	90
Purchases of property, plant & equipment	(26,990)	(14,845)
Payment of prepaid lease payment	-	(424)
Interest received	87	78
<b>Net cash used in investment activities</b>	<b>(26,903)</b>	<b>(15,101)</b>
<b>Financing activities</b>		
Net movement of trade bills	(26,479)	59,749
Net repayment of term loan	(7,090)	(1,080)
Repayment of finance lease payable	(31)	(44)
Dividend paid	(20,000)	(16,000)
Interest paid	(2,589)	(1,787)
Proceeds from issue of share capital	63,063	-
Listing expenses paid	(3,859)	(286)
<b>Net cash from financing activities</b>	<b>3,015</b>	<b>40,552</b>
<b>Net change in cash and cash equivalents</b>	<b>(21,835)</b>	<b>1,911</b>
<b>Cash and cash equivalent at the beginning of the financial year</b>	<b>48,630</b>	<b>25,747</b>
<b>Effect of exchange rate changes</b>	<b>479</b>	<b>-</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>27,274</b>	<b>27,658</b>





**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

For the purpose of presenting the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the followings

	9 months ended	
	30-Sep-12	30-Sep-11
	RM'000	RM'000
Cash and cash equivalents	29,188	27,658
Less: Bank overdraft	(1,914)	-
	<b>27,274</b>	<b>27,658</b>



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<u>The Group</u>	<u>Total equity attributable to owners of the parent</u>				<u>Total equity attributable to owners of the parent</u> <u>RM'000</u>
	<u>Share Capital</u> <u>RM'000</u>	<u>Other Reserve</u> <u>Merger reserves</u> <u>RM'000</u>	<u>Translation reserves</u> <u>RM'000</u>	<u>Retained earnings</u> <u>RM'000</u>	
<b>Balance as at 1 January 2012</b>	<b>27,500</b>	-	-	<b>72,262</b>	<b>99,762</b>
Profit for the financial period	-	-	-	31,975	31,975
<b>Other comprehensive income for the financial period:</b>					
Foreign currency differences , net of tax	-	-	(459)	-	(459)
<b>Total comprehensive income for the financial period</b>	-	-	<b>(459)</b>	<b>31,975</b>	<b>31,516</b>
<b><u>Distribution to and contribution by owners of the parent:</u></b>					
Share swap pursuant to the restructuring exercise	(27,500)	-	-	-	(27,500)
Issuance of ordinary shares pursuant to the restructuring exercise	99,762	(72,262)	-	-	27,500
Issuance of ordinary shares pursuant to the initial public offering exercise	63,476	-	-	-	63,476
Share issue expense	(2,521)	-	-	-	(2,521)
Dividend	-	-	-	(10,011)	(10,011)
<b>Total transactions with the owners of the parent</b>	<b>133,217</b>	<b>(72,262)</b>	<b>-</b>	<b>(10,011)</b>	<b>50,944</b>
<b>Balance as at 30 September 2012</b>	<b>160,717</b>	<b>(72,262)</b>	<b>(459)</b>	<b>94,226</b>	<b>182,222</b>



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

<u>The Group</u>	<u>Total equity attributable to owners of the parent</u>		
	<u>Share Capital</u> <u>RM'000</u>	<u>Retained earnings</u> <u>RM'000</u>	<u>Total equity attributable to owners of the parent</u> <u>RM'000</u>
<b>Balance as at 1 January 2011</b>	<b>27,500</b>	<b>57,237</b>	<b>84,737</b>
Profit for the financial period	-	35,048	35,048
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>35,048</b>	<b>35,048</b>
<b><u>Distribution to owners of the parent:</u></b>			
Dividend	-	(16,000)	(16,000)
<b>Total transactions with the owners of the parent</b>	<b>-</b>	<b>(16,000)</b>	<b>(16,000)</b>
<b>Balance as at 30 September 2011</b>	<b>27,500</b>	<b>76,285</b>	<b>103,785</b>



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

	Share Capital	Translation reserve	Retained earnings	Total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b><u>The Company</u></b>				
<b>Balance as at 1 January 2012</b>	-	-	-	-
Profit for the financial period	-	-	10,482	10,482
<b>Other comprehensive income for the financial period:</b>				
Foreign currency differences on translation of foreign operations, net of tax	-	(911)	-	(911)
<b>Total comprehensive income for the financial period</b>	-	(911)	10,482	9,571
<b><u>Distribution to and contribution by owners of the parent:</u></b>				
Issuance of ordinary shares on date of incorporation	-	-	-	-
Issuance of ordinary shares pursuant to the restructuring exercise	99,762	-	-	99,762
Issuance of ordinary shares pursuant to the initial public offering exercise	63,476	-	-	63,476
Share issue expense	(2,521)	-	-	(2,521)
Dividend	-	-	(10,011)	(10,011)
<b>Total transactions with the owners of the parent</b>	<b>160,717</b>	<b>-</b>	<b>(10,011)</b>	<b>150,706</b>
<b>Balance as at 30 September 2012</b>	<b>160,717</b>	<b>(911)</b>	<b>471</b>	<b>160,277</b>

**The Company**

	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b>Balance as at 1 January 2011</b>	NA	NA	NA	NA
Profit for the financial period	NA	NA	NA	NA
<b>Total comprehensive income for the financial period</b>	NA	NA	NA	NA
<b>Balance as at 30 September 2011</b>	NA	NA	NA	NA

Notes:

- (1) The Company was incorporated on 3 January 2012 with an issue and paid-up capital of S\$10.00. (equivalent to RM24.43 determined based on the closing exchange rate of S\$1:RM2.4434 as at 31 December 2011)
- (2) The Restructuring Exercise was completed on 29 May 2012.
- (3) There was no statement of changes of equity as at 31 December 2011 as the company was only incorporated on 3 January 2012
- (4) "NA" denotes Not Applicable as the Company was only incorporated on 3 January 2012



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**1 (d)(ii) Details of any changes in the company’s share capital arising from right issue, bonus issue, share buy-back, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Company	No. of shares	Share Capital (S\$)	Share Capital RM
As at 3 January 2012	10	10	24
Issue of Shares pursuant to the Restructuring Exercise	126,399,933	32,663,485	79,809,935
Issue of Shares pursuant to the Share Swap	31,600,057	40,829,354	19,952,484
	<b>158,000,000</b>	<b>73,492,849</b>	<b>99,762,443</b>
Sub-division of shares	158,000,000	-	-
As at 30 June 2012	316,000,000	73,492,849	99,762,443
New shares issues for IPO	84,000,000	24,198,869	60,954,531
As at 30 September 2012	<b>400,000,000</b>	<b>97,691,718</b>	<b>160,716,974</b>

**1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Company	As at	
	30-Sep-12 No of shares	30-Sep-11 No of shares
Total number of issued shares	400,000,000	*

\*The Company was incorporated on 3 January 2012.  
The Company did not have any treasury shares as at 30 September 2012.

**1 (d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed.

**3. Whether the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).**



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.**

The Company and the Group have applied the same accounting policies and methods of Computation in the preparation of the financial statements for the current reporting period compared with those for the audited financial statements for the year ended 31 December 2011.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Please refer to item 4 above.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Group	
	3Q ended 30 September		9 months ended 30 September	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Earnings per share (Sen) Based on weighted average number Of ordinary shares on issue – (Sen)	4.42	4.50	14.88	16.31

(a) As there are no potentially dilutive ordinary shares, diluted Earnings per Share (EPS) is the same as basic Earnings per Share, EPS for the period is calculated based on profit attributable to owners of the Company dividing by the weighted average number of shares of 214,905,096.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	Group		Company	
	30-Sep-12	31-Dec-11	30-Sep-12	31-Dec-11
Net asset value per ordinary share based on issued share capital – (Sen)	45.56	24.94	40.07	

For comparative and illustrative purpose, net asset per share for the Group as at 30 September 2012 and 31 December 2011 have been calculated based on total existing share capital of 400,000,000 shares

\* The Company was incorporated on 3 January 2012.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of the Statement of Comprehensive Income**

3Q2012 vs 3Q2011

The Group's total revenue decreased by RM57.1 million, or 32.9% from RM173.8 million in 3Q2011 to RM116.7 million in 3Q2012. This was mainly attributable to lower cocoa bean terminal prices quoted on the futures market by either the InterContinental Exchange (ICE) in New York or the NYSE Euronext (NYSE Liffe) in London, which resulted in lower average selling prices of our cocoa ingredient products.

In addition, the sales quantity decreased by 1,374 tonnes from 12,248 tonnes in 3Q2011 to 10,874 tonnes in 3Q2012 mainly due to the disruption in production caused by a planned integration of the new plant.

Cost of sales decreased by RM49.4 million or 32.6% from RM151.4 million in 3Q2011 to RM102.0 million in 3Q2012. This was primarily due to the "pass through effect" of lower cocoa bean terminal prices during the same period.

Gross profit decreased by RM7.7 million or 34.4%, from RM22.4 million in 3Q2011 to RM14.7 million in 3Q2012 mainly due to the lower sales volume achieved.

Other income increased by RM0.2 million from RM11,000 in 3Q2011 to RM0.2 million in 3Q2012 mainly due to fair value gain on derivative financial instruments.

Selling and distribution expenses increased by RM0.3 million or 20.4% from RM1.4 million in 3Q2011 to RM1.7 million in 3Q2012 due to the increase in sales commission payable to overseas agents.

Administrative expenses decreased by RM0.4 million or 17.4% from RM2.4 million in 3Q2011 to RM2.0 million in 3Q2012, mainly due to decrease in bonus provision as a result of lower profit generated.

Other expenses decreased by RM3.1 million or 60.4% from RM5.2 million in 3Q2011 to RM2.0 million in 3Q2012 mainly due to a reduction in fair value loss on derivative financial instruments of RM2.0 million, foreign exchange loss of RM2.0 million and partially offset by an increase in the listing expenses of RM0.9 million incurred during the period.

As a result of the above, our Group generated a profit before tax of RM8.4 million in 3Q2012.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**9M2012 vs 9M2011**

The Group's total revenue decreased by RM130.5 million, or 25.2% from RM518.8 million in 9M2011 to RM388.3 million in 9M2012. This was mainly attributable to lower cocoa bean terminal prices quoted on the futures market by either the InterContinental Exchange (ICE) in New York or the NYSE Euronext (NYSE Liffe) in London, which resulted in lower average selling prices of our cocoa ingredient products.

In addition, the sales quantity decreased by 2,917 tonnes from 35,928 tonnes in 9M2011 to 33,011 tonnes in 9M2012 mainly due to the disruption in production caused by a planned integration of the new plant.

Cost of sales decreased by RM120.7 million or 26.4% from RM456.9 million in 9M2011 to RM336.2 million in 9M2012. This was primarily in response to the "pass through effect" of lower cocoa bean terminal prices during the same period.

Hence, gross profit decreased by RM9.9 million or 15.9%, from RM61.9 million in 9M2011 to RM52.0 million in 9M2012. Despite lower sales quantity, our gross profit margin improved by 1.5% in 9M2012 from 11.9% in 9M2011 to 13.4% in 9M2012 as we managed to maintain the gross profit margin of RM1,576 per metric tonne in 9M2012.

Other income increased by RM2.1 million from RM0.1 million in 9M2011 to RM2.2 million in 9M2012, mainly due to fair value gain on derivative financial instruments.

Administrative expenses decreased by RM0.6 million or 9.3% from RM6.3 million in 9M2011 to RM5.7 million in 9M2012 mainly due to a decrease in bonus provision as a result of lower profit generated.

Other expenses decreased by RM0.9 million or 26.6% from RM3.2 million in 9M2011 to RM2.3 million in 9M2012 mainly due to a reduction in fair value gain on derivative financial instruments of RM1.3 million partially offset by an increase in the listing expenses of RM0.5 million incurred during the period.

Finance costs increased by RM0.8 million or 44.9% from RM1.8 million in 9M2011 to RM2.6 million in 9M2012 to support higher working capital requirement mainly due to the higher inventory and drawdown of bridging loan to finance the expansion in Tanjung Pelepas. This expansion was related to the construction of factory and warehouse, as well as acquisition of production equipment and machinery.

As a result of the above, our Group generated a profit before tax of RM38.9 million in 9M2012.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**Review of Statement of Financial Position**

The Group's non-current assets increased by RM21.0 million from RM88.0 million as at 31 December 2011 to RM109.0 million as at 30 September 2012. The increase was mainly due to the capital expenditure incurred for the expansion project in Tanjung Pelepas.

The Group's current assets decreased by RM7.9 million from RM237.8 million as at 31 December 2011 to RM229.9 million as at 30 September 2012, mainly attributable to a decrease in cash and cash equivalents of RM19.4 million partially offset by an increase in inventories of RM9.9 million, trade and other receivables of RM1.3 million and prepayment and derivative financial instruments of RM0.3 million.

The increase in trade and other receivables by RM1.4 million from RM50.6 million as at 31 December 2011 to RM52.0 million as at 30 September 2012 mainly due to higher credit sales in 3Q2012.

The increase in inventories by RM9.9 million from RM138.5 million as at 31 December 2011 to RM148.4 million as at 30 September 2012, was mainly due a build-up of cocoa inventory following the disruption in production caused by a planned integration of the new plant.

The Group's current liabilities decreased by RM70.2 million, from RM214.4 million as at 31 December 2011 to RM144.2 million as at 30 September 2012, mainly due to a decrease in trade and other payables of RM31.0 million, derivative liabilities and finance lease payables of RM0.4 million, borrowings of RM31.7 million and income tax provision of RM7.1 million.

The decrease in trade and other payables by RM31.0 million from RM62.0 million as at 31 December 2011 to RM31.0 million as at 30 September 2012 were mainly attributable to the payment of dividends of RM20.0 million, a decrease in trade payable of RM17.0 million and partially offset by an increase in other payables of RM6.0 million.

The decrease in bank borrowings by RM31.7 million from RM142.2 million as at 31 December 2011 to RM110.5 million as at 30 September 2012 was mainly due to repayment of term loan of RM7.1 million, a reduction in utilisation of trade bills of RM26.5 million and partially offset by an increase in bank overdraft of RM1.9 million.

Equity attributable to the owners of the Company increased by RM82.5 million from RM99.8 million as at 31 December 2011 to RM182.2 million as at 30 September 2012. The increase was mainly attributable to net profit generated and issuance of new shares in 9M2012.



**JB FOODS LIMITED**

(Incorporated In the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**Cash Flow**

For 9M2012, the Group generated net cash from operating activities before working capital changes of RM46.8 million. Net cash used in working capital amounted to RM31.6 million mainly due to an increase in inventories of RM9.9 million, an increase in prepayment of RM0.1 million, an increase in trade and other receivables of RM2.9 million and a decrease in trade and other payables of RM18.7 million. We paid income tax of RM13.2 million. The net impact of the above resulted in net cash generated from operating activities of RM2.1 million.

Net cash used in investing activities of RM26.9 million was mainly for payment of the construction of factory and warehouse building of RM13.4 million and production equipment and machineries of RM13.5 million

Net cash from financing activities of RM3.0 million was largely due to receipt of IPO proceeds of RM63.1 million and offset by the followings,

- i) A reduction in utilisation of trade finance facilities of RM26.5 million,
- ii) Dividend payment of RM20.0 million,
- iii) Net repayment of term loan of RM7.1 million,
- iv) Listing expenses of RM3.9 million, and
- v) Interest payment of RM2.6 million.

As a result, there was a net decrease in our cash and cash equivalents with negative effects of exchange rate changes amounting to RM0.5 million, from RM48.6 million as at 1 January 2012 to RM27.3 million as at 30 September 2012.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Over the next 12 months, the Group expects that the business environment will continue to be challenging. In addition the global economic situation continues to remain uncertain in light of the current Euro Zone debt crisis and slowdown in China's economy.

Nevertheless, the board remains confident in the long term prospect of the business and will continue to seek out new business opportunities.

**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**11. Dividend****(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

Not Applicable. The Company was incorporated on 3 January 2012.

**(c) Date payable**

Not Applicable

**(d) Books closure date**

Not Applicable

**(e) If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

**12. Use of Initial Public Offering (“IPO”) proceeds**

As at the date of this announcement, the IPO proceeds has been utilised as follows:-

<b>Use of proceeds</b>	<b>Allocated amount (S\$'000)</b>	<b>Amount Utilised (S\$'000)</b>	<b>Balance amount (S\$'000)</b>
Repayment of bank borrowings	8,300	6,955	-
General working capital and to fund acquisitions, joint venture and /or strategic alliances when opportunities arise	14,642	15,987 <sup>(1)</sup>	-
<b>Net Proceeds</b>	<b>22,942</b>	<b>22,942</b>	<b>-</b>

**Note :**

(1) This includes the balance of S\$1.345 million which has been channeled from the allocated amount reserved for repayment of bank borrowings. For more details, please refer to Note 1 on page 45 of our Prospectus.

**13. Negative Assurance**

The Board of Directors hereby confirm to the best of their knowledge that nothing has come to their attention which may render the financial statements for the period ended 30 September 2012 to be false or misleading in any material aspect.



**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)  
(Company Registration No. 201200268D)

**14. Interested Person Transactions**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii).

Name of Interested Person	Aggregate value of all Interested person transactions during the financial year under review (exclude transactions less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial period under review under a shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	9 months 2012 RM'000	9 months 2012 RM'000
<b>Atlantic (USA), Inc</b> - Sales of goods	<b>20,349</b>	Not applicable
<b>Guan Chong Cocoa Manufacturer Sdn Bhd</b> - Purchase of raw materials	<b>1,930</b>	Not applicable
<b>ECOM Agroindustrial Asia Pte Ltd</b> - Sale of goods - Purchase of raw materials	2,151	Not applicable
	59,459	Not applicable
	<b>61,610</b>	
<b>Total</b>	<b>83,889</b>	

Note

(1) Ecom AgroIndustrial Corp Limited is a private company limited by shares incorporated in Switzerland as a soft commodities wholesale merchant. Prior to the Initial Public Offering, Ecom AgroIndustrial Corp Limited holds 20.0% of the issued and paid-up share capital of our Company. Transactions with the Ecom AgroIndustrial Corp Limited Group were interested person transactions prior to the Initial Public Offering. Immediately after the Initial Public Offering, Ecom AgroIndustrial Corp Limited will hold 13.8% of the Shares, and as such, Ecom AgroIndustrial Corp Limited will not be a Controlling Shareholder. Thus, Ecom AgroIndustrial Corp Limited is not an "Interested Person" as defined in Chapter 9 of the Listing Manual. Ecom AgroIndustrial Corp Limited's subsidiaries, including Ecom AgroIndustrial Asia Pte. Ltd., AgroIndustrias Unidas de Cacao S.A. de C.V., Atlantic (USA), Inc and Dutch Cocoa B.V. will not be considered to be "Associates" of interested persons thereafter as defined in the Listing Manual. Therefore, Post Initial Public Offering transactions with the Ecom AgroIndustrial Corp Limited Group are not interested person transactions.

**By Order of the Board**

Lee Wei Hsiung  
Company Secretary  
12 November 2012



**FOR IMMEDIATE RELEASE**

## JB Foods reports earnings of RM9.5 million in 3Q2012

- *On track to increase production capacity from 60,000 tonnes to approximately 85,000 tonnes of cocoa bean equivalent per year by FY2013*

**Summary of 3Q2012 Financial Results:**

RM'million	3Q2012	3Q2011	+/(-) %	9M2012	9M2011	+/(-) %
Revenue	116.7	173.8	(32.9)	388.3	518.8	(25.2)
Gross Profit	14.7	22.4	(34.4)	52.0	61.9	(15.9)
GP Margin (%)	12.6	12.9	(0.3) pts	13.4	11.9	1.5 pts
Profit before income tax	8.4	12.7	(33.9)	38.9	46.1	(15.7)
Net Profit	9.5	9.7	(1.8)	32.0	35.0	(8.8)

SINGAPORE, 12 November 2012 – Mainboard-listed **JB Foods Limited** (“**JB Foods**” together with its subsidiary, **JB Cocoa Sdn Bhd** (“**JB Cocoa**”), the “**Group**”), a major cocoa ingredient producer in Malaysia principally engaged in the production and sale of cocoa powder, cocoa butter, cocoa liquor and cocoa cake, today reported earnings of RM9.5 million on the back of RM116.7 million in revenue for the three months ended 30 September 2012 (“3Q2012”).

On a year-to-date basis, JB Foods achieved a revenue of RM388.3 million and a net profit of RM32.0 million for the nine-month period ended 30 September 2012 (“9M2012”), compared to RM518.8 million and RM35.0 million respectively for the same period in 2011. The Group’s revenue was lower year-on-year mainly due to lower cocoa bean terminal prices, which resulted in lower average selling prices for its cocoa ingredient products.

In addition, sales quantity decreased by 2,917 tonnes from 35,928 tonnes in 9M2011 to 33,011 tonnes in 9M2012 mainly due to the disruption in production caused by the integration processes required for the new plant. Nevertheless, despite the lower sales quantity, the Group’s gross profit margin in 9M2012 improved by 1.5 percentage points to 13.4% from 11.9% in 9M2011 and JB Foods managed to maintain the gross profit margin of RM1,576 per metric tonne in 9M2012.

In 9M2012, cost of sales decreased by 26.4% to RM336.2 million, primarily in response to the “pass through effect” of lower cocoa bean terminal prices during the same period.

## **Balance Sheet**

The Group's financial position remained healthy. After taking into account the interim dividend payment, repayment of a term loan and investment in construction of new production facilities and new equipment, JB Foods' cash resources remained positive at RM27.3 million as at 30 September 2012.

Based on weighted average number of 214,905,096 ordinary shares, earnings per share for 3Q2012 was 4.42 Malaysian sen while net asset value per ordinary share based on total existing share capital of 400,000,000 shares stood at 45.56 Malaysian sen as at 30 September 2012, as compared to 24.94 Malaysian sen as at 31 December 2011.

## **Prospects**

In view of the uncertain global economic situation and the current Eurozone debt crisis, the Group expects the business environment to continue to remain challenging.

Nevertheless, the board remains confident in the long term prospect of the business and will continue to seek out new business opportunities.

Mr Tey How Keong (郑好强), Chief Executive Officer of JB Foods commented: "We are on track with the expansion plans at our existing facilities located at the Port of Tanjung Pelepas ("PTP"). This will ramp up our production capacity from 60,000 tonnes to 85,000 tonnes of cocoa bean equivalent per year by FY2013. With the capacity upgrade, we will be able to retain production flexibility and minimise bottlenecks as we progressively and simultaneously assess the level of demand required to support our capacity expansion."

Going forward, the Group will target key market segments and customise products for the premium market, as well as focus on product development and enhancing the quality of its cocoa ingredient products.

---

**About JB Foods Limited**

Established since the 1980s, JB Foods is one of the major cocoa ingredient producers in Malaysia with a production capacity of 60,000 tonnes of cocoa bean equivalent per year. We are principally engaged in the production and sale of cocoa ingredient products, namely cocoa butter, cocoa powder, cocoa liquor and cocoa cake, which are used to produce chocolate, chocolate confectionary, as well as cocoa-related food and beverages. Our cocoa processing plant – which is ISO 9001:2008, HACCP, Kosher and Pareve, and Halal-certified – is located at the Port of Tanjung Pelepas, a free trade zone in Johor, Malaysia where all our products are manufactured under stringent food safety standards. Our products are sold primarily under the “JBCOCA” brand name and we export our products worldwide to customers ranging from international trade houses to end users.

---

**Issued by and on behalf of JB Foods Limited*****August Consulting***

Tel: 65 6733 8873

Winston Choo, [winston@august.com.sg](mailto:winston@august.com.sg)

Janice Ong, [janice@august.com.sg](mailto:janice@august.com.sg)

Yap Meng Lee, [menglee@august.com.sg](mailto:menglee@august.com.sg)

###