



JB Foods Limited

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**FOR IMMEDIATE RELEASE**

# JB Foods Posts 363.6% year-on-year surge in PBT in 3Q2017

- *EBITDA and profit before tax increase by 136.0% and 363.6% respectively in 3Q1017*
- *Positive operating cashflows of USD12.7 million in 9M2017, growth of 61.7%*
- *Healthy net gearing at 0.85 times as at 30 September 2017*
- *An interim dividend of 2.00 Singapore cents per share*

## **Financial Highlights for 3Q2017**

USD'000	3Q2017	3Q2016	+ /(-) %	9M2017	9M2016	+ /(-) %
Revenue	75,841	69,917	8.5	220,133	219,595	0.2
EBITDA	6,514	2,760	136.0	13,769	7,758	77.5
PBT	4,724	1,019	363.6	8,434	2,672	215.6

## **Business Performance**

SINGAPORE, 13 November 2017 – Mainboard-listed **JB Foods Limited** (“**JB Foods**” together with its subsidiaries, the “**Group**”), a major cocoa ingredient producer in Asia, is pleased to announce an earnings before interest, tax, depreciation and amortisation (“**EBITDA**”) of USD6.5 million, , a profit before tax (“**PBT**”) of USD4.7 million for the third quarter ended 30 September 2017 (“**3Q2017**”). The Group registers an EBITDA of USD13.8 million and PBT of USD8.4 million for the nine months period ended 30 September 2017 (“**9M2017**”) mainly due to stronger customer demand and improvements in processing margin.

The Group’s revenue increased by 8.5% in 3Q2017 year-on-year, mainly due to higher shipment volume, and partially offset by the lower average selling price to the Group’s customers arising from lower cocoa bean prices.

Mr Tey How Keong, Chief Executive Officer of JB Foods said, “I am delighted to see our group achieves a more than three-fold year-on-year increase in the PBT from USD1.0million to USD4.7million in 3Q2017, arising from the strong customer demand and improvements in the processing margin in the cocoa industry. We will continue to manage our business risks, strive to grow our business profitably, and to expand our global footprint through collaboration with our business partners or acquisitions when the opportunity arises.”

## **Dividend**

The Group is declaring an interim dividend of 2.00 Singapore cents per share for the financial period ended 30 September 2017.

## **Financial Position**

As at 30 September 2017, the Group maintained a robust balance sheet with shareholders’ equity at USD80.9 million. Net gearing as at 30 September 2017 improved to 0.85 times from 1.28 time as at 31 December 2016. For 9M2017, the Group generated EBITDA of USD13.8 million compared to USD7.8 million in 9M2016, and positive operating cash flows of USD12.7 million compared to USD7.8 million in 9M2016.

## **Market Outlook**

The Group expect the strong momentum, demand for cocoa ingredients and improved business sentiments to continue into the first half of 2018. However, uncertainties in the global economic environment and volatility in the cocoa bean markets may pose as potential headwinds to the Group’s business performance. The Group will continue to adopt conservative and prudent measures and strategies, and remains confident in its long-term growth prospects.

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### **About JB Foods Limited**

Established since the 1980s, JB Foods is a major cocoa ingredients producer with operations in Malaysia and Indonesia with a production capacity of 145,000 tonnes of cocoa bean equivalent per year. We are principally engaged in the production and sale of cocoa ingredient products, namely cocoa butter, cocoa powder, cocoa liquor and cocoa cake, which are used to produce chocolate, chocolate confectionary, as well as cocoa-related food and beverages. Our products are sold primarily under the “JBCOCHA” brand name and we export our products worldwide to customers ranging from international trade houses to end users.