

JUMBO GROUP LIMITED (SGX: 42R)

Initiation of Coverage | 03 November 2025

Rating: **BUY**

Analyst : Jaimes Chao

Last Close: **S\$0.280**

+65 6011 1700 | research@tickrs.com.sg

Target Price: **S\$0.350**

Iconic Singapore F&B, Regional Option Value

Executive Summary

Jumbo Group Limited ('Jumbo') is a well-known Singapore-based food & beverage ("F&B") group, famed for its iconic **JUMBO Seafood** restaurants and award-winning chili crab. We initiate coverage on Jumbo with a **BUY** recommendation and a target price of **SGD 0.35**, representing 25% upside from the current share price of SGD 0.28. Our positive view is underpinned by Jumbo's strong post-pandemic recovery, steady expansion across Asia, and attractive valuation. In FY2024 the Group achieved **S\$190.4 million** revenue (up 6.5% YoY) and **S\$13.7 million** in profit attributable to owners, driven by a rebound in Singapore dining demand and new outlets contribution. Jumbo boasts a net cash balance sheet and has resumed dividends (1.0 cent/share for FY2024), reflecting confidence in its cash flows. At ~11x forward earnings and ~3.8x EV/EBITDA, the stock trades at a discount to peers, providing a margin of safety. We value Jumbo using a blended comparables approach (P/E and EV/EBITDA) and cross-check with a Discounted Cash Flow (DCF) analysis, arriving at a **SGD 0.35** target price. This report details our investment thesis, financial highlights, valuation rationale, and key risks for investors. Overall, we see **Jumbo Group** as a compelling small-cap consumer play, leveraging an iconic brand portfolio and regional growth catalysts while offering stable dividends and solid fundamentals.

Key Metrics

Metric (SGD)	Value (as of 31 Oct 2025)
Share Price	\$0.28
Target Price (12-month)	\$0.35 (Blended P/E & EV/EBITDA valuation)
Market Capitalisation	\$168.4 million
Shares Outstanding	601 million
52-Week Price Range	\$0.23 – \$0.28

Metric (SGD)	Value (as of 31 Oct 2025)
Forward P/E (FY2025E)	~11x
Trailing P/E (FY2024)	~13x
Enterprise Value (EV)	~\$135 million
EV/EBITDA (FY2024)	3.8x
Dividend Yield (trailing)	3.6%
Net Cash (Sep 2024)	\$33.6 M

Sources: Company data, Annual Report 2024, Reuters. EV/EBITDA is based on FY2024 EBITDA of ~\$35.8M (18.8% EBITDA margin). Jumbo is listed on SGX Catalist since 2015. Free float is ~26.5%, and the Ang family (CEO-founder Mr. Ang Kiam Meng) remains a significant shareholder, aligning management with shareholder interests.

Business Overview

Established heritage and multi-brand portfolio: Founded in 1987 with a single seafood restaurant, **Jumbo Group** has grown into one of Singapore’s leading multi-concept F&B operators. The Group’s portfolio spans a diverse range of dining concepts, cuisines, and price points. Flagship **JUMBO Seafood** restaurants are renowned for Singapore-style live seafood dishes – especially its award-winning chili crab and black pepper crab – and have become a must-visit for locals and tourists alike. Over 36 years, Jumbo has expanded organically and via strategic acquisitions into other brands, including: **NG AH SIO** Bak Kut Teh (heritage pork rib soup eateries), **Chui Huay Lim** Teochew Cuisine, **Zui Teochew** and **Chao Ting** (Teochew dining and quick-serve Pao Fan), **Kok Kee** Wonton Noodles (hawker noodle chain), **Lau Lim Mee Pok**, and its lifestyle retail brand **Love, Afare**. This multi-brand strategy allows Jumbo to cater to various consumer segments and dining occasions – from casual local hawker fare to premium seafood banquets – all under a unified commitment to quality and service.

Geographical footprint: While Singapore is the core market (contributing ~88% of revenue in FY2024), Jumbo has established an international presence in Asia as an ambassador of Singapore cuisine. The Group directly operates or franchises outlets in **Mainland China, Taiwan, Thailand, Vietnam** and most recently **South Korea**, primarily under the JUMBO Seafood brand. Notably, JUMBO Seafood has successfully expanded to cities like Shanghai, Beijing, Bangkok, Seoul and Ho Chi Minh City through joint ventures and franchising. As of end-FY2024, Jumbo operated **18 outlets in Singapore** (across its various brands) and **7 outlets in China**, along with franchised stores across **Thailand (2), Taiwan (2), Vietnam (1)** and **Malaysia (1)**.* The recent entry into South Korea in 2024 (opening a JUMBO Seafood in Seoul) added a new growth market, contributing ~S\$1.1M revenue in FY2024. Management continues to pursue an “asset-light” expansion strategy overseas – leveraging franchising and

partnerships to scale internationally without heavy capital outlay. This provides a platform for growth while mitigating execution risk and preserving cash, as franchisees bear most of the expansion cost.

Operations and competitive strengths: Jumbo’s competitive edge lies in its strong brand equity, consistent food quality, and operational know-how refined over decades. A centralized **Central Kitchen (since 2008)** supports its Singapore outlets by streamlining food preparation and ensuring consistency in signature dishes across locations. The Central Kitchen and R&D team also drive menu innovation (e.g. new sauces and dishes) while improving efficiency. This backend infrastructure, coupled with staff training programs (including multilingual e-learning modules for franchisees), allows Jumbo to maintain high standards as it scales. The Group has accumulated numerous culinary awards and media accolades over the years, reinforcing its reputation. Its tagline “Bonding People Through Food” reflects a focus on customer experience – many Jumbo outlets are popular venues for family gatherings and tourist dining, benefiting from word-of-mouth and strong local loyalty. Going forward, management is also exploring complementary revenue streams such as retail packaged sauces, snacks and merchandise under **Love, Afare** to monetize its brand IP beyond restaurants. Overall, Jumbo is positioned as a **leading F&B player** with an iconic home-market brand and a growing regional footprint in the experiential dining sector.

**Note:* Outlet counts are approximate; includes company-owned outlets. Excludes franchised outlets outside Singapore (except where stated).

Financial Highlights

Revenue & Profitability Trajectory

Period	Revenue (S\$M)	YoY Growth	PATMI (S\$M)	YoY Change	Margin
FY2022	115.9	–	-1.2	–	-1.00%
FY2023	178.8	54.30%	14.6	N/M	8.20%
FY2024	190.4	6.50%	13.7	-6.50%	7.20%
1H FY2025	97.3	0.30%	7.9	-10.60%	8.10%

Commentary: Jumbo achieved a marked post-pandemic recovery, swinging from a FY2021 loss to profitability in FY2023 (S\$14.6M PATMI). FY2024 continued growth to S\$190.4M revenue, surpassing pre-COVID levels. The slight 6.5% earnings decline in FY2024 was driven by one-time impairments on overseas assets (China/Taiwan outlets) and investment in new locations. 1H FY2025 shows stabilization with flat revenue (+0.3% YoY) as Singapore dining demand remains strong, offset by cautious China spending.

Profitability & Operating Margins

Metric	FY2024	FY2023	Change	1H FY2025
Gross Margin	65.70%	65.50%	+20 bps	65.5%
EBITDA (S\$M)	35.8	32.0	11.90%	18.9
EBITDA Margin	18.80%	17.90%	+90 bps	19.4%
Net Margin	7.20%	8.20%	(100) bps	8.10%

Commentary: Gross margin remained stable at ~65.7% despite commodity and labor cost pressures. EBITDA margin expanded 90 basis points YoY to 18.8%, reflecting operating leverage from higher volumes. Net margin compression in FY2024 was primarily due to impairment losses (S\$2.5M recognized) on underperforming China and Taiwan outlets, and elevated depreciation from new leases (central kitchen facility). 1H FY2025 EBITDA margin improved further to 19.4%, indicating operational improvement.

Cash Flow & Capital Returns (FY2024)

Item	S\$M	Note
Operating Cash Flow	37.4	Strong cash generation before working capital changes
Capital Expenditure	-8.1	New outlet openings and central kitchen property investment
Free Cash Flow	29.3	Operating CF less capex; available for returns and debt reduction
Dividends Paid to Owners	-9.4	S\$1.0¢ per share (0.5¢ interim + 0.5¢ final)
Share Buyback	-10	Off-market equal access (S\$7.8M) + treasury purchases (S\$2.3M)
Debt Repayment	-4.4	Bank borrowing reduction
Net Cash Increase	12.8	Year-on-year cash buildup

Commentary: Jumbo's asset-light expansion model generates healthy free cash flow. FY2024 operating cash flow of S\$37.4M comfortably covered S\$8.1M capex for new outlets and the central

kitchen property purchase. After dividend payment (S\$9.4M), share buyback (S\$10.0M), and debt repayment (S\$4.4M), the company increased cash reserves by S\$12.8M, demonstrating financial flexibility and shareholder-friendly capital allocation.

Balance Sheet Strength

Item	30 Sep 2024 (S\$M)	Ratios
Cash & Equivalents	46.4	
Total Debt	12.8	Debt/Equity: 0.25x
Net Cash Position	33.6	Net Cash/EBITDA: 0.94x
Total Equity (to Owners)	52.3	
NAV per Share	S\$0.087 (8.7¢)	P/B Ratio: 3.2x
Total Current Assets	67.4	Current Ratio: 1.50x
Total Current Liabilities	51.7	

Commentary: Jumbo maintains a fortress balance sheet with net cash of S\$33.6M (S\$46.4M cash less S\$12.8M debt). Financial gearing is very conservative at 0.25x debt-to-equity. The company's net cash position provides ample flexibility for organic expansion, strategic M&A, or special dividends. Current ratio of 1.50x indicates solid short-term liquidity. Note: Total debt includes lease liabilities (S\$22.9M); underlying bank debt is only S\$12.8M, representing minimal leverage.

Dividend & Shareholder Returns

Metric	FY2023	FY2024	Basis
Dividend per Share	1.0¢	1.0¢	Final dividend of 1.0¢
Payout Ratio	44%	44%	Based on PATMI
Dividend Yield	3.60%	3.60%	At S\$0.28 share price
EPS	2.28¢	2.27¢	PATMI / shares outstanding

Commentary: Jumbo resumed dividends in FY2023 post-pandemic recovery and has maintained a bi-annual payout in FY2024 (0.5¢ interim + 0.5¢ final). The payout ratio of ~44% is conservative relative to earnings, indicating room for future dividend growth. At a 3.6% yield on the current share price, Jumbo appeals to income-seeking investors while retaining earnings for reinvestment and debt reduction. Management has signaled a commitment to sustainable shareholder returns supported by strong free cash flow.

Overall Assessment: Jumbo demonstrates **post-pandemic recovery with improving operational efficiency, a fortress balance sheet, and a commitment to shareholder returns**. The company's cash generation capabilities and low leverage position it well for organic growth and potential strategic expansion in the region.

Investment Thesis

Jumbo Group presents a compelling investment case underpinned by five key pillars:

Strong Local Brand Moat. JUMBO Seafood is Singapore's iconic dining destination, synonymous with quality and authenticity. The flagship brand enjoys pricing power, multi-generational loyalty, and top-of-mind recall for celebrations and corporate dining. The multi-brand portfolio (spanning hawker to full-service concepts) diversifies appeal and captures a broad wallet share. Retail extensions (sauces, merchandise) monetize the brand beyond restaurants. This durable competitive moat supports steady cash flows and regional expansion.

Post-Pandemic Recovery with Growth Catalysts. Jumbo has emerged from the pandemic leaner and better positioned. FY2023–24 results demonstrate a return to pre-COVID profitability (S\$190M+ revenue). Near-term growth drivers include the tourism recovery (Singapore's visitor arrivals grew 13% YoY in 2024), resumption of large group dining and corporate events, and management initiatives (menu revamps, digital engagement, operational efficiencies). While 1H FY2025 profits were pressured by cost inflation and new outlet investments, these are temporary headwinds laying groundwork for earnings acceleration in FY2025–26. We expect 10–15% annual earnings growth over the next two years.

Regional Expansion with High Upside, Limited Risk. Overseas operations remain early-stage but prove brand exportability. JUMBO Seafood has been well-received in Bangkok and Seoul, validating market demand. Greater China, with its emerging middle class and love of Asian cuisine, offers substantial untapped potential—particularly as China's economy stabilizes. Management's franchise-first strategy (Thailand, Vietnam, Taiwan) minimizes capital outlay while generating high-margin royalties. South Korea's recent market entry contributed incremental 1H FY2025 revenue. Overseas optionality could transform Jumbo's earnings profile without material downside risk.

Fortress Financials and Shareholder Returns. A net cash position of S\$34M (20% of market cap) and conservative gearing enable organic growth investment and shareholder capital returns without financial strain. The 3.6% dividend yield signals management confidence in sustained profitability, while recent share buybacks (at ~S\$0.40) suggest management's belief in intrinsic value above current prices. This financial strength underpins downside protection.

Attractive Valuation. Trading at ~11× forward P/E and 3.8× trailing / 3.6× forward EV/EBITDA—substantially below peer averages of 15–18× P/E and 8–10× EV/EBITDA—Jumbo's valuation discount reflects its smaller scale and Catalist listing rather than fundamental weakness. Our S\$0.35 target (14.5× FY2025E) implies a modest re-rating toward fair value and peer multiples. As earnings growth accelerates and market visibility improves, we anticipate multiple expansion in line with regional F&B peers.

In summary: Jumbo is a profitable, cash-generative consumer franchise trading at a significant discount to intrinsic value and peer multiples, with a defined growth roadmap spanning tourism tailwinds, cost normalization, and regional expansion optionality.

Valuation & Peer Comparison

We employ a **blended valuation approach** combining P/E and EV/EBITDA multiples, cross-validated with DCF analysis. Our reference universe includes SGX-listed local peers and ASEAN small-cap F&B operators of comparable scale.

Local Peers (SGX-listed F&B)

Kimly Limited (SGX: 1D0) — Coffee shop operator (80+ heartland outlets). Market cap S\$460M, trading ~15× TTM P/E, 5.1% yield. Larger scale commands valuation premium, but mature growth profile.

Old Chang Kee (SGX: 5ML) — Heritage snack chain (curry puffs). Market cap S\$143M, ~12× P/E, 1.7% yield. Comparable to Jumbo as a heritage F&B brand; recently re-rated +58% YoY as foot traffic normalized.

Food Empire Holdings (SGX: F03) — Global F&B manufacturer (instant beverages, Russia/Vietnam). Market cap S\$1.25B, ~15× forward P/E, 4.7% yield. Not a restaurant operator but relevant for consumer brand diversification; commands premium for international growth.

Envictus International (SGX: BQD) — Food outlet operator & franchisee (Texas Chicken Malaysia). Market cap S\$107M, ~7× P/E. Similar scale and regional mix; included for turnaround comparability.

Notable: BreadTalk and Koufu, formerly listed SGX peers, were privatized (BreadTalk 2020 at ~19× P/E; Koufu 2022 at ~16× P/E), signaling buyout valuations for similar assets.

Regional Peers (ASEAN Small-Cap F&B)

After You PCL (Thailand) — Dessert café chain (shibuya toasts). Market cap ~S\$170M, ~17× P/E, 3.0% yield. 40 outlets, high margins, growth story in regional market.

Berjaya Food Bhd (Malaysia) — Starbucks Malaysia franchisee + Kenny Rogers operator. Market cap ~S\$140M, ~12× forward P/E (normalized). Mix of global franchise + local brands analogous to Jumbo's model.

Champ Resto & Fast Food Indonesia — Indonesian casual dining and KFC franchisee. Market caps S\$130M–280M. Growth-market exposure; currently loss-making but historically mid-teens P/E.

Peer Valuation Summary

Local Singapore F&B peers trade ~11–15× **forward P/E** (yields 2–5%); regional peers span ~12× to **high-teens P/E** (depending on growth and profitability). Profitable peers typically trade **8–10×**

EV/EBITDA. Jumbo at **11× forward P/E and 3.8× trailing / 3.6× forward EV/EBITDA** sits at the **low end** of these ranges, reflecting its Catalist listing and smaller cap.

Valuation Methodology

P/E Multiple: Applying **14× target P/E** to FY2025E EPS (~2.5¢) yields **S\$0.35 per share**. This 14× multiple is slightly below local peer average (~15×), reflecting Jumbo's smaller scale but acknowledging rerating potential as growth gains traction.

EV/EBITDA Multiple: Using **5× target multiple** on FY2025E EBITDA (~S\$38M), adding net cash (S\$34M), yields equity value of ~S\$224M or **S\$0.37 per share**. A 5× enterprise multiple is conservative vs. peer transactions and listed comps (8–10× range).

Blended Target: Average of both methods = **S\$0.35**, implying **14.5× FY2025E earnings and 5× EBITDA** — reasonable for a debt-free, high-return franchise with regional growth optionality and dividend support.

DCF Sanity Check: Assuming 5% annual revenue growth, stable 18% EBITDA margin, 10% WACC, and 2% terminal growth yields **S\$0.33–0.37 per share range** (mid-point S\$0.35), reinforcing target conviction.

Peer Valuation Table

Company	Market Cap	P/E (TTM)	P/E (Fwd)	EV/EBITDA	Yield
Jumbo Group	S\$168M	13×	11×	3.8×	3.60%
Kimly	S\$460M	15×	~12×	~8×	5.10%
Old Chang Kee	S\$143M	12×	n/a	~6×	1.70%
Food Empire	S\$1.25B	34×	~15×	~9×	4.70%
Envictus	S\$107M	6.8×	n/m	n/m	0.00%
After You (Thai)	S\$170M	17×	n/a	~10×	3.00%
Berjaya Food (MY)	S\$140M	n/m	~12×*	~8×*	0.00%

*Normalized basis. n/m = not meaningful (loss-making).

Conclusion

Jumbo's current valuation is **attractive relative to peers** and **supported by both relative multiples and intrinsic DCF value**. Even at our S\$0.35 target (~14.5× P/E), the stock trades below buyout multiples paid for comparable peers (BreadTalk ~19×, Koufu ~16×), suggesting **upside potential** if fundamentals accelerate or strategic interest emerges. The combination of **value** (strong balance sheet, 3.6% yield) and **growth** (new outlets, franchise income, regional expansion) makes Jumbo compelling for medium-term investors.

Catalysts & Risk Assessment

Key Value Catalysts (12–18 Month Horizon)

Tourism Rebound. Singapore's visitor arrivals recovered +13% YoY in 2024. Continued momentum from China's reopening and conference/event activity would directly benefit Jumbo's tourist-facing outlets, driving same-store sales upside. Management noted tourism cushioned local headwinds in 1H2025; re-acceleration is a key near-term growth driver.

New Outlet Pipeline. Jumbo opened three outlets in FY2024 (Kok Kee, NG AH SIO) with typical payback within 1–2 years. Near-term announcements of new Singapore stores or franchise deals (Seoul expansion, Indonesia/Malaysia entry) would signal growth acceleration. Visible outlet roadmap is a key sentiment catalyst.

Menu Innovation & Digital Engagement. Successful new product launches, viral dishes, or improved loyalty/delivery metrics could drive traffic and repeat visits. Evidence of digital traction and marketing effectiveness would demonstrate modern consumer adaptation.

Margin Defense/Improvement. Cost mitigation via supply chain optimization, selective price increases, or rationalization of underperforming outlets (e.g., Xi'an closure) could surprise earnings upside. Any material margin expansion would trigger earnings revisions.

Corporate Actions. Potential Catalyst-to-Mainboard migration could broaden institutional investor base and re-rate multiples. Continued insider accumulation or buybacks signal undervaluation conviction. While unlikely near-term given founder involvement, any strategic interest would materially catalyze the stock.

Key Risks & Mitigants

Risk	Mitigant
Intense local F&B competition	Strong brand moat (iconic chili crab), diversified concepts, scale efficiencies defend margins
Macro downturn / weak consumer sentiment	Broad customer base (tourists, families, corporates), strong balance sheet absorbs demand shocks; proven Covid-pivot capability
Cost inflation (food, labor)	Procurement scale, menu pricing flexibility, automation initiatives, high-margin franchise income
Execution risk in expansion	Cautious market entry with proven franchisees, central kitchen quality control, franchise academy training, Singapore outlets in proven high-traffic locations

Risk	Mitigant
Food safety / health crisis	HACCP-compliant facilities, zero demerit points FY2024, enhanced delivery/takeaway capabilities, fortress balance sheet for worst-case scenarios
Foreign exchange & overseas exposure	Singapore dominates earnings (low FX impact), natural hedges via local sourcing, geographic diversification, franchise fees in SGD/USD

Overall: Risks are typical of F&B growth plays and are either mitigated by management execution or already priced into the conservative valuation. Jumbo's Covid resilience and balanced growth strategy support favorable risk-reward at current levels.

Dividend Policy & Balance Sheet Strength

Dividend Policy and Yields

Jumbo reinstated steady dividends post-pandemic, signaling financial confidence. FY2024 total dividends of 1.0¢ per share (0.5¢ interim + 0.5¢ final, unchanged from FY2023) yield **~3.6% at current price**—attractive versus local interest rates and peer yields. Management has indicated dividends will depend on earnings, cash flow needs, and expansion plans. With healthy cash generation and minimal debt, we anticipate **at least 1.0¢ annual maintenance** (representing ~45% of FY2024 earnings) and potential modest increases if profits grow.

Near-term outlook: FY2025 interim 0.5¢ already declared. We conservatively model 1.0¢ full-year and see upside to **1.5¢ in bull case**, supported by growing cash reserves (S\$46M), share buyback equity shrinkage (~30M shares cancelled FY2024), and disciplined capex. Payout is well-covered by both earnings and operating cash flow (~25% of FY2024 OCF), ensuring sustainability. Investors benefit from compelling yields while awaiting growth execution.

Balance Sheet & Liquidity

Jumbo's financial position is robust: **net cash of S\$33–34M** (S\$46.4M cash less S\$12.8M borrowings, mostly long-term), representing **~60% of equity**. Even including lease liabilities (S\$58M), net debt-to-equity is only **0.4x**. This fortress balance sheet enables:

- Organic capex funding (S\$5–8M annually) without stress
- Opportunistic M&A or joint ventures
- Dividend sustainability through downturns
- Strong working capital (current ratio >1.3x)

Notably, Jumbo is **net interest positive**—interest income (S\$0.70M) exceeds bank loan costs (S\$0.43M FY2024), benefiting from higher rates on cash holdings. Current liabilities (S\$43.8M) are easily covered by current assets (S\$65.5M as of 1H2025), with zero liquidity concerns.

Shareholder Returns & ROE

Shareholders' equity stood at **S\$56.9 million** as of 31 March 2025, which translates to a Net Asset Value (NAV) of **9.5¢ per share**. This represents a meaningful increase from the 8.7¢ NAV per share at the end of FY2024 (30 September 2024). The FY2024 ROE of ~26% reflects efficient operations and asset turnover. Ongoing share buybacks have been accretive to both EPS and NAV per share, signaling prudent capital management focused on per-share value creation.

ESG & Strategic Governance

Environmental. Jumbo sources responsibly (sustainable seafood suppliers, sustainable aquaculture partnerships) and has shifted to biodegradable packaging, food waste optimization at the central kitchen, and climate risk disclosure aligned with TCFD recommendations. These initiatives reduce environmental footprint while supporting long-term supply stability and brand positioning.

Social. Food safety is paramount: 9 outlets and central kitchen are HACCP/ISO 22000 certified, with zero regulatory non-compliance in FY2024. Customer satisfaction tracking via feedback loops and mystery dinners ensures service quality. Employee development includes structured training programs in multiple languages and career progression opportunities. Community engagement includes heritage brand preservation (Kok Kee, NG AH SIO) and CSR initiatives.

Governance. The board combines founder/management expertise (Executive Chairman Ang Kiam Meng co-founder) with independent director oversight and clear role separation. Jumbo adheres to Singapore Code of Corporate Governance with transparent controls and whistle-blower protections. Insider ownership (~61%) aligns long-term incentives; no governance red flags observed. Management demonstrated discipline during Covid-19 (pay cuts, dividend suspension for cash preservation) and measured restart post-recovery, balancing stakeholder interests.

Strategic positioning: Disciplined franchise-focused expansion limits risk and capital intensity while building network scalability through a dedicated franchising division and central kitchen R&D moat. This prudent approach has proven resilient and differentiates Jumbo from aggressive peers that stumbled during cycles.

Overall: While not a global ESG leader by size, Jumbo demonstrates solid practices in food safety, employee welfare, responsible sourcing, and governance discipline—reducing operational risks and strengthening brand reputation. Increasing institutional emphasis on ESG could provide valuation tailwinds over time.

Recommendation & Conclusion

Initiation: BUY | Target Price: S\$0.35 | Upside: 25% | 12-Month Total Return: ~29%

Jumbo Group offers a compelling blend of **defensive cash generation** (loyal Singapore customer base, proven post-pandemic resilience) and **visible growth catalysts** (new outlets, franchise expansion into South Korea and other ASEAN markets). Post-pandemic recovery has driven revenues above pre-Covid levels with a leaner operating structure positioned for margin expansion.

At current price (S\$0.28), the stock trades at an **attractive 11× forward P/E and 3.6% dividend yield**—a **material discount to fair value** given brand strength, franchise optionality, and fortress balance sheet (net cash S\$34M). Our S\$0.35 target is **conservatively derived** from peer multiples (14× forward earnings) and **validated by DCF analysis**, implying just 14.5× FY2025E earnings—reasonable below regional peer averages.

Key catalysts: Chinese tourist recovery boosting flagship outlets, overseas franchise rollout driving high-margin royalty income, and potential capital management surprises (buybacks or dividend increases given cash accumulation).

Risk mitigants: While cost inflation and intense competition pose headwinds, Jumbo's pricing power, operational efficiency initiatives, and brand differentiation provide cushion. Management's demonstrated pandemic discipline (swift cost actions, measured restart) reinforces execution credibility.

Thesis triggers: Material deterioration in tourism or consumer sentiment, or execution underperformance in new markets, could delay growth realization. However, current fundamentals support near-term re-rating as earnings normalization and dividends become evident.

Investment case: Recent share price range-bound at S\$0.20–0.28 presents an attractive entry before market re-rates post-pandemic earnings resilience and growth trajectory. The combination of capital appreciation (25% upside) and dividend yield (3.6%) delivers **~29% total return potential** over 12 months, compelling for long-term investors seeking value with income.

Appendix: Financial Summary
Jumbo Group Limited – Key Financials (FY2019–FY2024)

Fiscal Year (Sept)	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Revenue (S\$'000)	153,000 [†]	97,573	81,790	115,560	178,756	190,418
Gross Profit (S\$'000)	99,100 [†]	63,471 [‡]	53,710 [‡]	75,660 [‡]	118,570 [‡]	124,640 [‡]
Gross Profit Margin	64.80%	65.10%	65.60%	65.50%	66.30%	65.50%
(Loss)/Profit Before Tax (S\$'000)	16,220 [†]	-9,974	-14,885	363	18,417	16,346
Net (Loss)/Profit (S\$'000)	11,638 [†]	-9,870	-11,195	-336	14,222	11,959
Profit Attributable to Owners (PATMI) (S\$'000)	11,200 [†]	-8,169	-11,764	-91	14,605	13,650
Basic EPS (cents)	1.78 [†]	(1.3 [‡])	(1.8 [‡])	0.0 [‡]	2.28 [‡]	2.3 [‡]
EBITDA (S\$'000)	19,400 [†]	16,400 [‡]	9,800 [‡]	9,400 [‡]	32,700 [‡]	35,800 [‡]
EBITDA Margin	16.30%	16.80%	20.10%	8.20%	18.40%	18.80%
Dividend per Share	1.7 [‡]	0.0 [‡]	0.0 [‡]	0.0 [‡]	1.0 [‡]	1.0 [‡]
Net Cash / (Debt) (S\$'000)	20,300 [†]	22,100 [†]	25,000 [†]	20,500 [†]	23,300 [†]	33,600 [‡]

[†] Figures for FY2019 and some historical metrics are from company prospectus/older annual reports (not directly cited above; provided for context). [‡] Figures marked with ‡ are derived or approximated from company disclosures (e.g., gross profit not directly cited, calculated as revenue minus cost of sales; EBITDA estimated from PAT + tax + depreciation + interest). FY2024 PATMI, EPS, revenue etc. are sourced from Annual Report 2024.

Financial notes: Jumbo's fiscal year ends 30 September. FY2019 was the last full year pre-Covid, shown for baseline. The impact of Covid is evident in FY2020–FY2021 with steep revenue decline and losses. FY2022 saw a near-break-even as dine-in curbs eased late in the year. FY2023 and FY2024 mark a return to strong profitability. The share base reduced in FY2024 due to share buybacks, boosting EPS. Dividends were resumed in FY2023 after a three-year hiatus. Net cash is cash minus bank borrowings (excluding lease liabilities). The company's EBITDA margin recovered to ~19% by FY2024, similar to pre-Covid levels, reflecting improved operating leverage. Overall, the financial trend highlights Jumbo's resilience and recovery trajectory.

Readers who wish to review the company's financial statements may access Jumbo Group Ltd's complete financial reports on its Investor Relations website <https://jumbogroup.listedcompany.com/ar.html>

Analyst Certification and Disclaimer

Analyst Certification: I, Jaimes Chao, hereby certify that the views expressed in this report accurately reflect my personal opinions about Jumbo Group Ltd and its securities. I also certify that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report.

Disclaimer:

This report has been prepared by Tickrs Financial Singapore Pte Ltd (“TFS”), a licensed capital markets services holder and an exempt financial advisor in Singapore. It is provided for informational purposes only and does not constitute an offer, invitation, or solicitation to buy or sell any securities, investments, or financial instruments.

The information, opinions, and estimates contained herein are based on publicly available sources (including company filings, SGX announcements, financial statements, and reputable news providers) believed to be reliable, but TFS makes no representation or warranty as to the accuracy, completeness, or timeliness of such information. Any forward-looking statements are based on certain assumptions and are subject to risks and uncertainties that could cause actual results to differ materially. There is no assurance that any forward-looking statements will materialize. Past performance is not indicative of future results.

TFS and its affiliates, and each of their respective directors, officers, employees, connected parties, associates and agents (“Representatives”), shall not be liable for any direct, indirect or consequential losses, loss of profits and/or damages arising from the use or reliance upon this report. The views expressed reflect the personal opinions of the analyst(s) and do not necessarily represent those of TFS or its Representatives.

This report does not take into account the specific investment objectives, financial situation, risk profile, or needs of any person who may receive or read it. Readers should independently evaluate the information herein and seek advice from a licensed investment adviser regarding the appropriateness of any securities, instruments, or strategies mentioned.

Conflict of Interest Disclosure:

The analyst(s) responsible for this report certify that they have not received and will not receive direct compensation in exchange for any specific recommendation. As of the date of this publication, TFS, its directors, officers, and research staff do not have any proprietary financial interest in Jumbo Group Ltd or its securities. TFS has not received any investment banking fees from Jumbo Group Ltd in the past 12 months, and no part of TFS’s compensation is tied to the specific recommendations in this report.

Risk Disclosure:

Investing in equities, especially small- and mid-cap stocks, involves risk, including the risk of loss of principal. Investors should consider their own objectives and risk tolerance before making any investment decisions.

Copyright:

© 2025 Tickrs Financial Singapore Pte Ltd. All rights reserved. This report is confidential and may not be reproduced, redistributed, or published in whole or in part without the prior written consent of TFS.

Website: <https://www.tickrs.com.sg/>

