

CHASWOOD RESOURCES HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Co. Reg. No. 200401894D)

DISCLAIMER OF OPINION BY INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Board of Directors (“**Board**”) of Chaswood Resources Holdings Ltd (“**Company**”) together with its subsidiaries (“**Group**”) wishes to announce that the Company’s Independent Auditors, Moore Stephens LLP (“**Independent Auditors**”), have issued its report (“**Independent Auditor’s Report**”) on the audit of the financial statements of the Group for the financial year ended 31 December 2019 (“**Financial Statements**”), and have issued a disclaimer of opinion in the Independent Auditor’s Report.

The basis for the disclaimer of opinion was in respect of the following:

- (i) limitation of scope on the audit of Chaswood Resources Sdn Bhd (“**CRSB**”) and its subsidiaries (collectively “**CRSB Group**”); and
- (ii) appropriateness of the going concern assumption for the Group.

Please refer to the copy of the Independent Auditor’s Report and extracts of the relevant notes to the Financial Statement attached herein.

Shareholders of the Company are advised to read the Independent Auditor’s Report and the Financial Statements, which can be found in the Company’s Annual Report for FY2019 that will be made available on the SGX-ST’s and the Company’s corporate websites in due course.

DIRECTORS’ OPINION AND BASIS

Limitation of scope on the audit of CRSB Group

Key considerations resulting in a disclaimer of opinion issued by the Independent Auditors on the limitation of scope on the audit of CRSB Group includes *inter-alia* the following:

- (i) **Inability to obtain necessary information and explanations to audit the financial statements of CRSB Group and to carry out alternative procedures to satisfy themselves as to the accuracy of the figures relating to the discontinued operations and disposal of the CRSB Group**

The disposal of CRSB Group by the Company was completed on 4 October 2019. Pursuant to the disposal, all the financial and accounting books and records of CRSB Group were delivered to the purchaser, Tremendous Asia Management Inc (“**TAMI**”). TAMI is not related to the directors and substantial shareholders of the Company save that Mr. Ng Teck Wah, a non-independent non-executive director and substantial shareholder of the Company was a former director of TAMI. Thus, the Company no longer had free access to the necessary information to be furnished to the Independent Auditors during the course of their audit. The Company had requested for access to the information but due to the lack of resources by the disposed CRSB Group, the full information request was not able to be provided in time for the completion of the Company’s audit. The Company was also informed by TAMI that the audit of CRSB Group for FY2019 has yet to be completed, and a request for a special audit for the period from 1 January 2019 up to the date of the completion of disposal was not able to be met which forms part of the procedures required by the Independent Auditors.

- (ii) **Accuracy and completeness of the opening balance of the carrying amount of trade and other payables of Bistro Italiana (TC) Sdn Bhd (“**BITC**”), a wholly owned subsidiary of the Company**

The component auditors for BITC was unable to confirm or verify by alternative means as to the carrying amounts of the trade payable and other payables as at 31 December 2018 due to a modified opinion which was issued in the auditors' report of BITC for the financial year ended 31 December 2018 ("FY2018") pertaining to the same matter given that the component auditors were not auditors for the prior financial year ended 31 December 2017. Given that the component auditors for BITC would have been auditors for the past 2 financial years, the Company does not expect for the same issue to be raised in the next financial year.

The Board is of the opinion that the accounting and other records required by the relevant laws and regulations to be kept by the Company and by its subsidiaries have been properly kept in accordance with the relevant laws and regulations in the respective countries.

Appropriateness of the going concern assumption

The business performance of the Group has been adversely affected due to *inter-alia* sales decline and operational losses in the last few years arising from weak consumer spending, increasing cost of operations and other challenges.

The Group's main focus has been to complete the ongoing restructuring exercise to restore the financial position of the Group with an aim to submit a resumption plan to SGX-ST for the trading of the Company's shares to resume since the suspension on 18 June 2018. Over the last few months, the restructuring exercise had progressed well with the completion of certain milestones which include *inter-alia*:

(i) Proposed disposal of CRSB

The proposed disposal of CRSB to Tremendous Asia Management Inc was completed on 4 October 2019 which removes a significant negative shareholders' equity from the Group and thus, setting a more palatable platform to continue operating and expanding the Group's restaurant business.

(ii) Proposed issuance of redeemable convertible note ("RCN")

The Company had entered into a subscription agreement on 30 November 2019 with Advance Opportunities Fund ("AOF") and Advance Opportunities Fund I ("AOF I") (AOF and AOF I shall collectively be known as the "Subscribers") pursuant to which the Company proposes to issue to the Subscribers 1.0% equity-linked RCN due 2022 with an aggregate principal amount of up to S\$50.0 million. The proceeds will be utilized for the funding of the Group's working capital and future expansions and investments. The issuance of the RCN is subject to fulfilment of certain conditions precedent which includes *inter-alia* the share trading resumption. On 29 May 2020, the Company had entered into a supplemental agreement with the Subscribers for the last date to satisfy the conditions precedent to be extended to 30 November 2020.

(iii) Proposed scheme of arrangement with scheme creditors ("SOA")

To address the remaining liabilities of the Company, a proposed SOA with its creditors was undertaken. During a creditors' meeting held on 30 April 2020, the proposed SOA was approved by a majority in number representing at least 75% of the total value of the scheme creditors present and voting in person or by proxy at the meeting. The Company's solicitors have filed an application to the Court to obtain its approval of the Singapore SOA and the Court has fixed for the Company's application for hearing on 26 June 2020. Once the Court's approval is obtained, the SOA shall be binding on the Company and scheme creditors.

Having reviewed the significance of the Disclaimer of Opinion, the Board is of the opinion that, barring unforeseen circumstances, and subject to the successful outcome of *inter-alia* the above mentioned restructuring exercise and market conditions, the Group will be able to continue as a going concern with sufficiency of working capital for its requirements for the next 12 months upon

the completion of the restructuring exercise. Pursuant to the proposed SOA, the adjudicated outstanding liability of an aggregate amount of approximately S\$20.26 million will be settled via a 18% debt-to-equity ratio conversion whereby approximately S\$3.65 million of the liability will be converted into share capital of the Company while the remaining liability of approximately S\$16.61 million will be waived. Barring unforeseen circumstances, the Board expects the working capital of the Group will be funded by the issuance of the RCN upon satisfaction of the necessary conditions precedent.

The Company is committed to continue working together with the Independent Auditors to resolve the above-mentioned matters.

Further announcements will be made by the Company and the Board via SGXNET as and when there are material developments on the above matters, in compliance with the Catalist Rules of the SGX-ST.

The Board confirms that to their best knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

BY ORDER OF THE BOARD

ANDREW ROACH REDDY
Managing Director
12 June 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Asian Corporate Advisors Pte. Ltd. (the "Sponsor"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("Exchange") Listing Manual Section B: Rules of Catalist for compliance with the relevant rules of the Exchange. The Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

*The contact person for the Sponsor is Mr Liau H. K.
Telephone number: 6221 0271*

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHASWOOD RESOURCES HOLDINGS LTD

(No: 200401894D)

(Incorporated in Singapore)

Report on the Audit of the Financial Statements

1. We were engaged to audit the financial statements of Chaswood Resources Holdings Ltd (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 31 December 2019, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and 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.

Disclaimer of Opinion

2. We do not express an opinion on the consolidated financial statements of the Group and the statements of financial position and changes in equity of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we do not have sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

3. Our Auditors' Report dated 3 July 2019 on the consolidated financial statements for the previous year ended 31 December 2018 contained a disclaimer opinion on the following matters:
 - a) Limitation of scope on the audit of Chaswood Resources Sdn Bhd and its subsidiaries (the "CRSB Group")
 - b) Appropriateness of the Going Concern Assumption

Item (a) is not resolved in the current financial year and is discussed in paragraphs 4 to 7. Item (b) is further discussed in paragraphs 8 to 10.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHASWOOD RESOURCES HOLDINGS LTD

(No: 200401894D)

(Incorporated in Singapore)

Basis for Disclaimer of Opinion (cont'd)

Limitation of scope on the audit of Chaswood Resources Sdn Bhd and its subsidiaries ("CRSB Group")

4. As disclosed in Note 19A to the financial statements, the Group had successfully disposed of the CRSB Group, save for Bistro Italiana (TC) Sdn Bhd ("BI(TC)") now held directly by the Company, on 4 October 2019. Included in the Group's consolidated income statement for the financial year ended 31 December 2019 was the loss for the year from discontinued operations of RM13,818,000, inclusive of the loss on disposal of RM11,431,000 arising from the divestment of the CRSB Group, determined based on the unaudited financial statements of the CRSB Group up to the date of disposal.
5. We were not provided with the information and explanations that we considered necessary to audit the financial statements of the CRSB Group. We were also unable to carry out alternative audit procedures to satisfy ourselves as to the accuracy of the loss for the year from discontinued operations of RM13,818,000, including the loss on disposal of RM11,431,000 arising from the disposal of the CRSB Group and the reclassification of translation reserves to profit and loss amounting to RM31,516,000. Consequently, we were unable to determine whether any adjustments and/or additional disclosures to the financial statements were necessary.
6. We were not provided with the information and explanation that we considered necessary to audit the opening balance of the carrying amount of the trade and other payables of BI(TC) now held directly by the Company. We were unable to perform alternative procedures to satisfy ourselves as to the accuracy and completeness of the opening balance of the carrying amount of the trade and other payables of BI(TC) which affects the determination of the Group's financial performance from continuing operations and the Group's opening accumulated loss for the current financial year. Consequently, we were unable to determine whether any adjustments and/or additional disclosures to the financial statements were necessary.
7. As disclosed in Note 19A to the financial statements, the CRSB Group contributed RM23,697,000 and RM89,571,000 to the Group's total assets and total liabilities as at 31 December 2018 respectively. The CRSB Group also contributed RM88,521,000 and RM96,563,000 to the Group's total revenue and total expenses for the financial year ended 31 December 2018. We were unable to obtain sufficient financial information in relation to the completeness, existence and accuracy of the amounts recorded and classified as assets and liabilities directly associated with the disposal group to be sold as well as the loss for the year from discontinued operations. Consequently, we were unable to determine whether any adjustments and/or additional disclosures to the previous years' financial statements ended 31 December 2018 was necessary. Our opinion on the current year's financial statements of the Group is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHASWOOD RESOURCES HOLDINGS LTD

(No: 200401894D)

(Incorporated in Singapore)

Basis for Disclaimer of Opinion (cont'd)

Appropriateness of the Going Concern Assumption

8. As disclosed in Note 3(a) to the financial statements, the Group incurred a loss after tax of RM20,956,000 (2018: RM9,979,000) for the current financial year ended 31 December 2019. As at 31 December 2019, the Group's and Company's current liabilities exceeded their current assets by RM62,311,000 (2018: RM72,683,000) and RM60,464,000 (2018: RM48,620,000) respectively. In addition, the Group and the Company had negative total equity of RM61,049,000 (2018: RM71,456,000) and RM60,464,000 (2018: RM48,620,000) as at 31 December 2019.
9. These conditions along with other matters as set forth in Note 3(a) to the financial statements indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group and the Company to continue as going concerns and to realise their assets and discharge their liabilities in the ordinary course of business. Management has prepared the financial statements on a going concern basis on the assumption that the Group and the Company will continue as going concerns. The ability of the Group and the Company to continue as going concerns is dependent on certain assumptions and the successful outcome of the various efforts by the Group disclosed in Note 3(a) to the financial statements, the outcome of which is inherently uncertain.
10. In light of the material uncertainties discussed above, we do not have sufficient audit evidence regarding the use of the going concern assumption in the preparation of the financial statements. Consequently, we are unable to form a view as to the use of the going concern assumption in the preparation of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHASWOOD RESOURCES HOLDINGS LTD

(No: 200401894D)

(Incorporated in Singapore)

Responsibilities of Management and Directors for the Financial Statements

11. Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) (the "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 financial statements and to maintain accountability of assets.
12. 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.
13. The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

14. Our responsibility is to conduct an audit of the Company's financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.
15. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CHASWOOD RESOURCES HOLDINGS LTD

(No: 200401894D)

(Incorporated in Singapore)

Report on Other Legal and Regulatory Requirements

16. 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 auditor have been properly kept in accordance with the provisions of the Act.
17. The engagement partner on the audit resulting in this independent auditor's report is Ms Lao Mei Leng.

Moore Stephens LLP
Public Accountants and
Chartered Accountants

Singapore

11 June 2020

CHASWOOD RESOURCES HOLDINGS LTD
(Incorporated in Singapore)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3. Summary of Significant Accounting Policies

(a) Basis of Presentation

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards International (“SFRS(I)”). These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

Going concern

The Group incurred a loss after tax of RM20,956,000 (2018: RM9,979,000) for the current financial year ended 31 December 2019. As at 31 December 2019, the Group’s and Company’s current liabilities exceeded their current assets by RM62,311,000 (2018: RM72,683,000) and RM60,464,000 (2018: RM48,620,000) respectively. In addition, the Group and the Company had negative total equity of RM61,049,000 (2018: RM71,456,000) and RM60,464,000 (2018: RM48,620,000) as at 31 December 2019.

The Group is also currently undergoing a restructuring exercise to address its deteriorated financial position.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the ability of the Group and the Company to continue as going concerns and therefore they may not be able to realise their assets and discharge their liabilities in the normal course of business.

Nevertheless, in the preparation of the financial statements, management believes that the use of the going concern assumption is appropriate after taking into consideration the following factors:

- Disposal of Chaswood Resources Sdn. Bhd. and its subsidiaries (“CRSB Group”)

On 14 September 2018, the Group entered into a share sale agreement with Tremendous Asia Management Inc. (“TAMI”) for the sale of 100% equity interest of Chaswood Resources Sdn. Bhd. (“CRSB”) (the “Proposed Disposal 1”). The sole shareholder of TAMI is Tremendous Asset Partners Ltd and the sole director was Mr Ng Teck Wah (resigned as director of TAMI on 12 March 2020), who is the Non-Executive Chairman of the Company and also a director of CRSB.

CHASWOOD RESOURCES HOLDINGS LTD
(Incorporated in Singapore)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3. Summary of Significant Accounting Policies (cont'd)

(a) Basis of Presentation (cont'd)

Going concern (cont'd)

The Proposed Disposal 1 is a divestment of the Company's 100% equity interest of CRSB and effectively CRSB's subsidiaries, save for Bistro Italiana (TC) Sdn Bhd. ("Excluded Subsidiary"). During the financial year ended 31 December 2019, the CRSB Group subject to disposals (Note 19A) contributed a loss after tax of RM13,818,000 (2018: RM8,467,000), including the loss on disposal of RM11,431,000 arising from the disposal of the CRSB Group (Note 19A). The proposed disposal of CRSB Group was successfully completed on 4 October 2019.

- Issuance of 1% equity-linked redeemable convertible notes due 2022

On 30 November 2019, the Company entered into a subscription agreement with Advance Opportunities Fund and Advance Opportunities Fund 1 (collectively be known as the "Subscribers") for issuance of 1% equity-linked redeemable convertible notes due in 2022 with an aggregate principal amount of up to S\$50,000,000 in four tranches. On 29 May 2020, the Company and the Subscribers (collectively known as "Parties") have agreed to amend the definition of "Fulfilment Date", being the last date to satisfy the conditions precedent of the subscription agreement to 30 November 2020 or such other date as the Parties may agree in writing. There are no changes to the other terms and conditions of the subscription agreement.

The proceeds will be utilised for the funding of the Group's working capital and future expansions and investments.

- Moratorium and proposed scheme of arrangement with Singapore scheme creditors ("Singapore SOA")

The Company had on 26 November 2019 filed an application in the High Court pursuant to section 210(1) of the Act for (i) leave to convene a meeting of its creditors for the purposes of considering and, if thought fit, approving with or without modification a proposed scheme of arrangement ("Singapore SOA") to be made between the Company and its creditors ("Creditors' Meeting") and (ii) to obtain an order that no legal action or proceedings against to Company be commenced or continued against the Company from the date of the order to be made herein until the date the Scheme is approved ("Moratorium").

CHASWOOD RESOURCES HOLDINGS LTD
(Incorporated in Singapore)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3. Summary of Significant Accounting Policies (cont'd)

(a) Basis of Presentation (cont'd)

Going concern (cont'd)

At the hearing held on 12 February 2020, amongst others, leave was granted by the Court for a Creditors' Meeting to be convened and the Moratorium. Details of the other orders made by the Court were announced on 13 February 2020.

During a creditors' meeting held on 30 April 2020, the Singapore SOA was approved by a majority in number representing at least 75% of the total value of the scheme creditors present and voting in person or by proxy at the meeting. The Company's solicitors have filed an application to the Court to obtain its approval of the Singapore SOA and the Court has fixed for the Company's application for hearing on 26 June 2020. Once the Court's approval is obtained, the SOA shall be binding on the Company and scheme creditors. The Singapore SOA is necessary to address the various debt obligations owed by the Company to its creditors.

The completion of the above milestones will also facilitate the resumption proposal to be submitted to the SGX-ST and thereafter provide better value to the stakeholders with the completion of the restructuring exercise.

CHASWOOD RESOURCES HOLDINGS LTD
(Incorporated in Singapore)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

19A. Loss for the year from discontinued operations

As at 31 December 2018, Chaswood Resources Sdn Bhd (“CRSB”) and its subsidiaries (collectively, the “CRSB Group”) contributed RM23,697,000 of assets and RM89,571,000 of liabilities to the Group. The CRSB Group also contributed RM41,767,000 and RM55,585,000 (2018: RM88,521,000 and RM96,563,000) to the Group’s total revenue and total expenses for the financial year ended 31 December 2019. As part of the Group’s business rationalisation strategy and settlement plan for the proposed scheme of arrangement with the Scheme Creditors (Note 3a), the Group had entered into committed plans to dispose CRSB and its subsidiaries as follows:

(i) Proposed disposal of CRSB

On 14 September 2018, the Group entered into a share sale agreement with Tremendous Asia Management Inc. (“TAMI”) for the sale of 100% equity interest of CRSB (the “Proposed Disposal 1”) for a cash consideration of RM10.00. The Proposed Disposal 1 is a divestment of the Company’s 100% equity interest of CRSB and effectively CRSB’s subsidiaries, save for Bistro Italiana (TC) Sdn. Bhd. (“Excluded Subsidiary”), and is subject to and on condition that the Company ultimately retains ownership of the Excluded Subsidiary. The Proposed Disposal 1 had been completed on 4 October 2019 and the ownership of the Excluded Subsidiary has been transferred to the Company at a consideration of RM1.00.

(ii) Proposed disposal of CRSB’s subsidiaries which own the TGI Friday’s in Malaysia and Teh Tarik Place businesses

On 22 November 2018, the CRSB entered into a binding term sheet with Sino Hua-An International Berhad (“SHA”) for the sale of 100% equity interest of certain subsidiaries of CRSB which own the TGI Friday’s in Malaysia and Teh Tarik Place businesses (“Target Business”) to the SHA for a purchase consideration of RM8.0 million (“Consideration”) (the “Proposed Disposal 2”). Further to the binding term sheet, CRSB has on 3 April 2019 entered into a share purchase agreement with SHA.

The Proposed Disposal 2 was effected via the sale of 100% equity interest in Bistromalones (PJ) Sdn Bhd (the investment holding company which own the subsidiaries listed below) to the Purchaser. The Proposed Disposal 2 had been completed on 15 October 2019.

CHASWOOD RESOURCES HOLDINGS LTD
(Incorporated in Singapore)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

19A. Loss for the year from discontinued operations (cont'd)

No.	Name of Subsidiaries	Shareholding	Principal Activities
1	Teh Tarik Place Sdn Bhd	100%	Brand owner and operator of Teh Tarik Place
2	Bistroamericana (TC) Sdn Bhd	100%	Operator of TGI Friday's at The Curve, Mutiara Damansara
3	Bistroamericana (BU) Sdn Bhd	100%	Operator of TGI Friday's at 1 Utama Shopping Centre, Selangor
4	Bistroamericana (QB) Sdn Bhd	100%	Operator of TGI Friday's at Queensbay Mall, Penang
5	Bistroamericana (A) Sdn Bhd	100%	Operator of TGI Friday's at Alarnanda Shopping Centre, Putrajaya
6	Bistroamericana (Hartamas) Sdn Bhd	100%	Operator of TGI Friday's at Hartamas Shopping Centre, Kuala Lumpur
7	Bistroamericana (SP) Sdn Bhd	100%	Operator of TGI Friday's at Sunway Pyramid, Selangor
8	Bistroamericana (BB) Sdn Bhd	100%	Operator of TGI Friday's at Pavilion, Kuala Lumpur
9	Bistroamericana (JB) Sdn Bhd	20%	Operator of TGI Friday's at Wisma Jotic, Johor Bahru

CHASWOOD RESOURCES HOLDINGS LTD
(Incorporated in Singapore)

AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

19A. Loss for the year from discontinued operations (cont'd)

The combined results of the discontinued operations included in the consolidated statement of comprehensive income and consolidated statement of cash flows are set out below.

	Group	
	2019 RM'000	2018 RM'000
<i>Loss for the year from discontinued operations</i>		
Revenue	41,767	84,918
Cost of sales	(14,476)	(27,188)
Administrative expenses	(26,769)	(59,879)
Other operating expenses	(2,339)	(2,960)
Finance costs	(570)	(3,358)
Loss for the year from discontinued operations	(2,387)	(8,467)
Loss on disposal of subsidiaries (Note 14)	(11,431)	-
	(13,818)	(8,467)
<i>Cash flows from discontinued operations</i>		
Net cash outflows from operating activities	(185)	(4,576)
Net cash (outflows)/inflows from investing activities	(1,744)	64
Net cash inflows from financing activities	-	1,732
Net cash outflows	(1,929)	(2,780)
<i>Loss before income tax</i>		
Discontinued operations		
This is arrived at after charging:		
Included in administrative expenses:		
Audit fees	255	472
Employee benefits expenses	11,936	23,435
Rental of apartments, office premises and storage	608	1,279
Rental of restaurant premises	9,489	18,897
Repairs and maintenance	800	1,917
Included in other operating expenses:		
Depreciation of property and equipment	554	1,040
Amortisation of franchise agreement cost	16	25