



JUMBO Group Limited
Incorporated in the Republic of Singapore
Registration No. 201503401Z

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

FOR THE THIRD QUARTER ENDED 30 JUNE 2018

This announcement has been prepared by Jumbo Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) and its contents have been reviewed by its sponsor, United Overseas Bank Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.

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PART 1 – INFORMATION REQUIRED FOR QUARTERLY, HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group			Group		
	Q3 FY2018 \$'000	Q3 FY2017 \$'000	Increase/ (Decrease) %	9M FY2018 \$'000	9M FY2017 \$'000	Increase/ (Decrease) %
Revenue	35,830	34,814	2.9	113,326	106,902	6.0
Cost of sales	(13,625)	(12,976)	5.0	(42,287)	(38,885)	8.7
Gross profit	22,205	21,838	1.7	71,039	68,017	4.4
Other income	681	689	(1.2)	2,602	1,893	37.5
Employee benefits expense	(11,343)	(10,329)	9.8	(35,596)	(30,697)	16.0
Operating lease expenses	(3,476)	(3,460)	0.5	(10,713)	(10,222)	4.8
Utilities expenses	(922)	(826)	11.6	(2,716)	(2,400)	13.2
Depreciation expense	(1,174)	(1,163)	0.9	(3,411)	(3,401)	0.3
Other operating expenses	(3,766)	(2,679)	40.6	(11,260)	(9,078)	24.0
Finance costs	-	-	N.M.	-	(4)	N.M.
Share of results of associates	65	16	306.3	(115)	83	N.M.
Profit before tax	2,270	4,086	(44.4)	9,830	14,191	(30.7)
Income tax expense	(330)	(556)	(40.6)	(1,520)	(1,876)	(19.0)
Profit for the period	1,940	3,530	(45.0)	8,310	12,315	(32.5)
Other comprehensive income:						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences arising on translation of foreign operations	(155)	(119)	30.3	(159)	(191)	(16.8)
Other comprehensive income for the period, net of tax	(155)	(119)	30.3	(159)	(191)	(16.8)
Total comprehensive income for the period	1,785	3,411	(47.7)	8,151	12,124	(32.8)
Profit attributable to:						
Owners of the Company	2,205	3,365	(34.5)	8,574	11,832	(27.5)
Non-controlling interests	(265)	165	N.M.	(264)	483	N.M.
	1,940	3,530	(45.0)	8,310	12,315	(32.5)
Total comprehensive income attributable to:						
Owners of the Company	2,062	3,211	(35.8)	8,427	11,625	(27.5)
Non-controlling interests	(277)	200	N.M.	(276)	499	N.M.
	1,785	3,411	(47.7)	8,151	12,124	(32.8)

N.M. : Not Meaningful

1(a)(ii) Notes to combined statements of profit or loss and other comprehensive income

The Group's net profit was arrived after crediting / (charging) the following:

	Group			Group		
	Q3 FY2018 \$'000	Q3 FY2017 \$'000	Increase/ (Decrease) %	9M FY2018 \$'000	9M FY2017 \$'000	Increase/ (Decrease) %
Interest income	18	12	50.0	36	163	(77.9)
Gain on disposal of property, plant and equipment	35	-	N.M.	36	-	N.M.
Government grants	345	100	245.0	561	644	(12.9)
Loss on property, plant and equipment written off	(49)	-	N.M.	(49)	(93)	(47.3)
Foreign exchange loss	-	-	N.M.	-	(2)	N.M.
Depreciation of property, plant and equipment	(1,174)	(1,163)	0.9	(3,411)	(3,401)	0.3
Finance costs	-	-	N.M.	-	(4)	N.M.
Fair value (loss)gain on short-term investments	(45)	40	N.M.	18	80	(77.5)
Write-back of provision for reinstatement cost	-	-	N.M.	-	14	N.M.
(Under)Over provision of tax in respect of prior years	(44)	10	N.M.	33	1	N.M.

N.M. : Not Meaningful

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

	Group		Company	
	As at 30 Jun 2018 \$'000	As at 30 Sep 2017 \$'000	As at 30 Jun 2018 \$'000	As at 30 Sep 2017 \$'000
ASSETS				
Current assets				
Cash and cash equivalents	44,072	51,262	9,306	15,764
Trade and other receivables	12,488	9,036	8	17
Due from subsidiaries	-	-	30,965	27,709
Short-term investments	444	426	-	-
Inventories	1,413	1,479	-	-
Total current assets	58,417	62,203	40,279	43,490
Non-current assets				
Investment in associates	1,823	550	-	-
Investment in subsidiaries	-	-	5,424	5,424
Available-for-sale investment	75	75	-	-
Goodwill	782	782	-	-
Property, plant and equipment	21,573	19,382	-	-
Club memberships	238	238	-	-
Total non-current assets	24,491	21,027	5,424	5,424
Total assets	82,908	83,230	45,703	48,914
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	12,164	10,085	164	175
Provision for reinstatement costs	2,145	1,829	-	-
Income tax payable	1,006	2,535	-	-
Total current liabilities	15,315	14,449	164	175
Non-current liability				
Deferred tax liability	301	301	-	-
Total non-current liability	301	301	-	-
Capital and reserves				
Share capital	48,806	48,550	48,806	48,550
Currency translation reserve	(257)	(110)	-	-
Merger reserve	(2,828)	(2,828)	-	-
Retained earnings (Accumulated losses)	17,306	19,639	(3,267)	189
Equity attributable to owners of the Company	63,027	65,251	45,539	48,739
Non-controlling interests	4,265	3,229	-	-
Total equity	67,292	68,480	45,539	48,739
Total liabilities and equity	82,908	83,230	45,703	48,914

1(b)(ii) Aggregate amount of group's borrowings and debt securities

The Group had no borrowings or debt securities as at 30 June 2018 and 30 September 2017.

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

	Group		Group	
	Q3 FY2018 \$'000	Q3 FY2017 \$'000	9M FY2018 \$'000	9M FY2017 \$'000
Operating activities				
Profit before income tax	2,270	4,086	9,830	14,191
Adjustments for:				
Depreciation expense	1,174	1,163	3,411	3,401
Interest income	(18)	(12)	(36)	(163)
Finance costs	-	-	-	4
Loss on property, plant and equipment written off	49	-	49	93
Dividend income from short-term investments	-	(7)	-	(7)
Gain on disposal of property, plant and equipment	(35)	-	(36)	-
Reversal of impairment of investment in associates	-	-	(500)	-
Fair value loss (gain) on short-term investments	45	(40)	(18)	(80)
Share-based payment expense	-	-	256	109
Write-back of provision for reinstatement cost	-	-	-	(14)
Share of results of associates	(65)	(16)	115	(83)
Unrealised foreign exchange gain	(169)	(127)	(188)	(169)
Operating cash flows before movements in working capital	3,251	5,047	12,883	17,282
Trade and other receivables	(844)	(1,542)	(3,452)	(2,417)
Inventories	239	12	66	38
Trade and other payables	2,238	362	2,079	(5,008)
Cash generated from operations	4,884	3,879	11,576	9,895
Interest income	18	12	36	163
Finance costs	-	-	-	(4)
Reinstatement cost paid	-	-	-	(18)
Income tax paid	(1,305)	(945)	(3,049)	(2,613)
Net cash from operating activities	3,597	2,946	8,563	7,423
Investing activities				
Acquisition of property, plant and equipment	(2,147)	(571)	(5,335)	(3,983)
Acquisition of investment in associates	-	-	(1,108)	-
Dividend income from short-term investments	-	7	-	7
Proceeds from reduction of investments in associate	-	-	220	-
Proceeds from disposal of property, plant and equipment	35	-	36	154
Net cash used in investing activities	(2,112)	(564)	(6,187)	(3,822)
Financing activities				
Dividend paid to owners of the Company	(3,209)	(3,207)	(10,907)	(14,110)
Repayment of bank borrowing	-	-	-	(599)
Proceeds from issuance of shares to non-controlling interest in a subsidiary company	1,312	-	1,312	-
Net cash used in financing activities	(1,897)	(3,207)	(9,595)	(14,709)
Net decrease in cash and cash equivalents	(412)	(825)	(7,219)	(11,108)
Cash and cash equivalents at beginning of the period	44,484	48,981	51,262	59,264
Effect of foreign exchange rate changes	-	(22)	29	(22)
Cash and cash equivalents at end of the period	44,072	48,134	44,072	48,134

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

COMBINED STATEMENTS OF CHANGES IN EQUITY

Group (\$'000)	Share capital	Currency translation reserve	Merger reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total
Balance at 1 October 2016	48,441	(109)	(2,828)	19,277	64,781	1,727	66,508
Issue of shares	109	-	-	-	109	-	109
Total comprehensive income for the period:							
Profit for the period	-	-	-	8,467	8,467	318	8,785
Other comprehensive loss	-	(53)	-	-	(53)	(19)	(72)
Dividend paid to owners of the Company, recognised directly in equity	-	-	-	(10,903)	(10,903)	-	(10,903)
Balance at 31 March 2017	48,550	(162)	(2,828)	16,841	62,401	2,026	64,427
Total comprehensive income for the period:							
Profit for the period	-	-	-	3,365	3,365	165	3,530
Other comprehensive loss	-	(154)	-	-	(154)	35	(119)
Dividend paid to owners of the Company, recognised directly in equity	-	-	-	(3,207)	(3,207)	-	(3,207)
Balance at 30 June 2017	48,550	(316)	(2,828)	16,999	62,405	2,226	64,631
Balance at 1 October 2017	48,550	(110)	(2,828)	19,639	65,251	3,229	68,480
Total comprehensive income for the period:							
Profit for the period	-	-	-	6,369	6,369	1	6,370
Other comprehensive loss	-	(4)	-	-	(4)	-	(4)
Transactions with owners, recognised directly in equity:							
Issued of shares	256	-	-	-	256	-	256
Dividend paid	-	-	-	(7,698)	(7,698)	-	(7,698)
Balance at 31 March 2018	48,806	(114)	(2,828)	18,310	64,174	3,230	67,404



Balance at 31 March 2018	48,806	(114)	(2,828)	18,310	64,174	3,230	67,404
Total comprehensive income for the period:							
Profit for the period	-	-	-	2,205	2,205	(265)	1,940
Other comprehensive loss	-	(143)	-	-	(143)	(12)	(155)
Transactions with owners, recognised directly in equity:							
Issued of shares	-	-	-	-	-	1,312	1,312
Dividend paid	-	-	-	(3,209)	(3,209)	-	(3,209)
Balance at 30 June 2018	48,806	(257)	(2,828)	17,306	63,027	4,265	67,292

Company (\$'000)	Share capital	Retained earnings	Total
Balance at 1 October 2016	48,441	12,337	60,778
Issue of shares	109	-	109
Total comprehensive income for the period			
Profit for the period	-	2,252	2,252
Dividend paid	-	(10,903)	(10,903)
Balance at 31 March 2017	48,550	3,686	52,236
Total comprehensive loss for the period			
Loss for the period	-	(151)	(151)
Dividend paid	-	(3,207)	(3,207)
Balance at 30 June 2017	48,550	328	48,878



JUMBO Group Limited
Incorporated in the Republic of Singapore
Registration No. 201503401Z

Balance at 1 October 2017	48,550	189	48,739
Total comprehensive income for the period			
Profit for the period	-	7,614	7,614
Issued of shares	256	-	256
Dividend paid	-	(7,698)	(7,698)
Balance at 31 March 2018	48,806	105	48,911
Total comprehensive loss for the period			
Loss for the period	-	(163)	(163)
Dividend paid	-	(3,209)	(3,209)
Balance at 30 June 2018	48,806	(3,267)	45,539

1(d)(ii) Details of any changes in the company’s share capital arising from rights issues, bonus issues, share buy-backs, exercises of share options or warrants, conversion of other issues of equity securities, issues of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the corresponding period of the immediately preceding financial year.

There has been no change to the Company’s share capital since 31 March 2018.

As at 30 June 2018 and 30 June 2017, there were no outstanding convertibles, treasury shares held by the Company and subsidiary shareholdings.

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

	As at 30 June 2018	As at 30 September 2017
Total number of issued shares excluding treasury shares	641,833,000	641,483,000

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

Not applicable as there are no treasury shares held by the Company.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as there are no subsidiary shareholdings.

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 by the auditors of the Company.

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

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 Group has applied the same accounting policies and methods of computation in the Group’s financial statements for the third quarter ended 30 June 2018 as its most recently audited financial statements for the financial year ended 30 September 2017, except as disclosed in paragraph 5.

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.

The Group and the Company have adopted the applicable new and revised Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 October 2017. The adoption of these new and revised FRS and INT FRS has no material financial impact on the financial statements of the Group.

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:-

Earnings per share (“EPS”)

	Group		Group	
	Q3 FY2018	Q3 FY2017	9M FY2018	9M FY2017
Profit attributable to owners of the Company (\$'000)	2,205	3,365	8,574	11,832
Weighted average number of shares ('000)	641,833	641,483	641,600	641,388
Basic and diluted EPS based on weighted average number of shares (cents)	0.3	0.5	1.3	1.8

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

- (a) Current financial period reported on; and
- (b) Immediately preceding financial year.

Net asset value (“NAV”)

	Group As at		Company As at	
	30-Jun-18	30-Sep-17	30-Jun-18	30-Sep-17
NAV (\$'000)	63,027	65,251	45,539	48,739
Number of shares ('000)	641,833	641,483	641,833	641,483
NAV per share (cents)	9.8	10.2	7.1	7.6

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 GROUP'S PERFORMANCE

Revenue

Revenue increased by 2.9% or \$1.0 million, from \$34.8 million in the third quarter ended 30 June 2017 ("Q3 FY2017") to \$35.8 million in the third quarter ended 30 June 2018 ("Q3 FY2018"). Revenue from our Jumbo Seafood outlets in the People's Republic of China ("PRC") increased by \$1.8 million mainly due to full quarter revenue contribution from 2 new outlets in Beijing and Shanghai and the opening of our Xi'an outlet in May 2018. For our Singapore operations, while revenue from Jumbo Seafood outlets remained relatively stable, there was a decrease in revenue of \$0.8 million due to closure of two Ng Ah Sio Bak Kut Teh outlets in March and April 2018 and JPOT outlet in Parkway Parade in September 2017.

Cost of sales

Cost of sales which comprised raw materials and consumables used increased by 5.0% or \$0.6 million, from \$13.0 million in Q3 FY2017 to \$13.6 million in Q3 FY2018, in line with the increase in revenue.

Gross profit

Gross profit increased by 1.7% or \$0.4 million, from \$21.8 million in Q3 FY2017 to \$22.2 million in Q3 FY2018, due to the increase in revenue.

Gross profit margin was lower at 62.0% in Q3 FY2018 as compared to 62.7% in Q3 FY2017. This was mainly due to higher fresh seafood costs and promotional prices for our new Jumbo Seafood outlets in Xi'an and Shanghai, PRC.

Other income

Other income remained stable at \$0.7 million in Q3 FY2018 and Q3 FY2017.

Employee benefits expense

Employee benefits expense increased by 9.8% or \$1.0 million, from \$10.3 million in Q3 FY2017 to \$11.3 million in Q3 FY2018. This was mainly due to an increase in the number of employees for our new outlets in the PRC as well as an overall increase in headcount of our corporate head offices in Singapore and the PRC to support our regional expansion.

Operating lease expenses

Operating lease expenses remained stable at \$3.5 million in Q3 FY2018 and Q3 FY2017.

Utilities expenses

Utilities expenses increased by 11.6% or \$0.1 million, from \$0.8 million in Q3 FY2017 to \$0.9 million Q3 FY2018, in line with the increase in number of outlets, as well as the expansion of our Singapore and PRC corporate offices.

Depreciation expense

Depreciation expense remained stable at \$1.2 million in Q3 FY2018 and Q3 FY2017.

Other operating expenses

Other operating expenses increased by 40.6% or \$1.1 million, from \$2.7 million in Q3 FY2017 to \$3.8 million in Q3 FY2018 mainly due to the increase in the number of outlets, the expansion of our PRC corporate office and marketing expenses relating to the Group's 30th anniversary celebrations.

Share of results of associates

Share of results of associates increased by 306.3% or \$49,000, from \$16,000 in Q3 FY2017 to \$65,000 in Q3 FY2018 mainly due to higher profits from an associated company, Seafood Republic Pte Ltd.

Income tax expense

Income tax expense decreased by 40.6% or \$0.2 million, from \$0.5 million in Q3 FY2017 to \$0.3 million in Q3 FY2018 mainly due to lower profit in the PRC.

Profit after tax

As a result of the above, profit after tax decreased by 45.0% or \$1.6 million, from \$3.5 million in Q3 FY2017 to \$1.9 million in Q3 FY2018.

Profit attributable to owners of the Company

Profit attributable to owners of the Company decreased by 34.5% or \$1.2 million, from \$3.4 million in Q3 FY2017 to \$2.2 million in Q3 FY2018.

REVIEW OF THE GROUP'S FINANCIAL POSITION

Current assets

The Group's current assets decreased by \$3.8 million from \$62.2 million as at 30 September 2017 to \$58.4 million as at 30 June 2018 mainly due to a decrease in cash and cash equivalents as a result of dividend payment amounting to \$10.9 million and partially offset by higher trade and other receivables, in line with the increase in revenue.

Non-current assets

The Group's non-current assets increased by \$3.5 million from \$21.0 million as at 30 September 2017 to \$24.5 million as at 30 June 2018, mainly due to an increase in property, plant and equipment of \$2.2 million for the new outlets in Shanghai and Xi'an, PRC and renovation works in our central kitchen in Singapore as well as an increase in investment in associates of \$1.3 million due to the establishment of the new joint venture companies in Taiwan and Singapore.

Current liabilities

The Group's current liabilities increased by \$0.9 million from \$14.4 million as at 30 September 2017 to \$15.3 million as at 31 June 2018 mainly due to increase in trade and other payables of \$2.1 million, reinstatement costs of \$0.3 million for new outlets and partially offset by a decrease in income tax payable of \$1.5 million.

Non-current liability

The Group's non-current liability in relation to deferred tax liability remained at \$0.3 million as at 30 September 2017 and 30 June 2018.

REVIEW OF THE GROUP'S CASH FLOW STATEMENT

The Group generated net cash from operating activities before movements in working capital of \$3.3 million in Q3 FY2018. Net cash generated from working capital amounted to \$1.6 million mainly due to an increase in trade and other payables of \$2.2 million and an increase in inventories of \$0.2 million, partially offset by a decrease in trade and other receivables of \$0.8 million. The Group paid income tax of \$1.3 million. As a result, net cash generated from operating activities was \$3.6 million in Q3 FY2018.

Net cash used in investing activities amounted to \$2.1 million in Q3 FY2018 and was mainly for the acquisition of property, plant and equipment for our new outlet in Xi'an, PRC.

Net cash used in financing activities for Q3 FY2018 amounting to \$1.9 million was due to payment of dividend to owners of the Company of \$3.2 million, partially offset by proceeds of \$1.3 million from issuance of shares to a non-controlling interest in a subsidiary company, JBHG F&B Services (Beijing) Co., Ltd.

As a result, cash and cash equivalents decreased by \$0.4 million in Q3 FY2018.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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.

The Group's Q3 FY2018 results reflect the gestation period of our expansions, locally and regionally. The Group continues to focus on cost efficiency and improving work flow processes to increase productivity.

We intend to open two new JUMBO Seafood restaurants, one Teochew cuisine restaurant and at least two more Tsui Wah Hong Kong-styled Cha Chaan Teng outlets in Singapore in the next 12 months. Our franchise business will also see one new JUMBO Seafood restaurant opening in the major cities – Bangkok (Thailand), Taichung (Taiwan) and Fuzhou (the PRC).

As part of our optimisation efforts for our operations, the Group closed down two Ng Ah Sio Bak Kut Teh outlets in March and April 2018. In July 2018, the lease of the JPOT outlet at VivoCity was not renewed due to unfavourable renewal terms.

The Group will continue to explore suitable opportunities to expand our network of food and beverage outlets and businesses through the opening of new outlets, joint ventures and/or strategic alliances with partners who can strengthen our market position and add value to our existing business.

11. Dividend

(a) Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding period of the immediately preceding financial year?

Nil

(c) The date the dividend is payable.

Nil

(d) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared/recommended, a statement to the effect.

No dividend has been declared or recommended by the board of directors of the Company ("Board") for the period under review.

13. Interested person transactions

The Group has not obtained a general mandate from shareholders for interested person transactions. There were no interested person transactions of \$100,000 or more for the period under review.

14. Use of IPO proceeds

The Company received net proceeds from the IPO of approximately \$37.2 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilised as follows:

Purpose	Allocation of Net Proceeds (as disclosed in the offer document) (\$'000)	Net Proceeds utilised as at the date of this announcement (\$'000)	Balance of Net Proceeds as at the date of this announcement (\$'000)
Establish new outlets and refurbish existing outlets	12,000	(3,500)	8,500
Acquire new premises, equipment and machinery	11,500	(5,126)	6,374
Working capital and general corporate purposes	13,700	(13,700)	-
	37,200	(22,326)	14,874

15. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its directors and executive officer as required under Rule 720(1) of the SGX-ST Listing Manual Section B: Rules of Catalist.

16. Negative confirmation by the board pursuant to Rule 705(5)

To the best knowledge of the Board, nothing has come to the attention of the Board which may render the unaudited financial results of the Group and the Company for Q3 FY2018 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tan Cher Liang
 Independent Chairman
 13th August 2018

Ang Kiam Meng
 Group CEO and Executive Director
 13th August 2018