

First Quarter Financial Statements And Dividend Announcement For The Period Ended 31 March 2015

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), 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 comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Profit or Loss and Other Comprehensive Income

Revenue

Cost of sales

Gross profit

Other income (Note 1)

Selling, distribution and outlet expenses

Administrative expenses

Other expenses (Note 2)

Finance costs

Share of results of equity-accounted investees, net of tax (Note 3)

Profit before tax

Income tax expense (Note 4)

Profit for the period

Other comprehensive income:

Items that are or may be reclassified subsequently to profit or loss:

Currency translation differences

Other comprehensive (loss)/income for the period, net of tax

Total comprehensive income for the period

Profit/(Loss) attributable to:

Owners of the Company

Non-controlling interests

Profit for the period

Total comprehensive income/(loss) attributable to:

Owners of the Company

Non-controlling interests

Total comprehensive income for the period

	Group		
	1Q 2015 S\$'000	1Q 2014 S\$'000	Change %
Revenue	24,430	24,981	(2.2)
Cost of sales	(13,877)	(14,082)	(1.5)
Gross profit	10,553	10,899	(3.2)
Other income (Note 1)	1,056	678	55.8
Selling, distribution and outlet expenses	(6,683)	(6,848)	(2.4)
Administrative expenses	(2,885)	(2,842)	1.5
Other expenses (Note 2)	(337)	(61)	n.m.
Finance costs	(1)	(1)	-
Share of results of equity-accounted investees, net of tax (Note 3)	(17)	-	n.a.
Profit before tax	1,686	1,825	(7.6)
Income tax expense (Note 4)	(302)	(336)	(10.1)
Profit for the period	1,384	1,489	(7.1)
Other comprehensive income:			
<u>Items that are or may be reclassified subsequently to profit or loss:</u>			
Currency translation differences	(33)	67	n.m.
Other comprehensive (loss)/income for the period, net of tax	(33)	67	n.m.
Total comprehensive income for the period	1,351	1,556	(13.2)
<u>Profit/(Loss) attributable to:</u>			
Owners of the Company	1,451	1,619	(10.4)
Non-controlling interests	(67)	(130)	(48.5)
Profit for the period	1,384	1,489	(7.1)
<u>Total comprehensive income/(loss) attributable to:</u>			
Owners of the Company	1,429	1,686	(15.2)
Non-controlling interests	(78)	(130)	(40.0)
Total comprehensive income for the period	1,351	1,556	(13.2)

n.a.: not applicable

n.m.: not meaningful

1(a)(ii) Notes to the Statement of Profit or Loss and Other Comprehensive Income:

	Group		
	1Q 2015 S\$'000	1Q 2014 S\$'000	Change %
Profit for the period include the following:			
Other income including interest income and foreign exchange gain, net (Note 1)	1,056	678	55.8
Depreciation and amortisation	(816)	(805)	1.4
Foreign exchange loss, net	-	(43)	(100.0)
Property, plant and equipment written off (Note 2)	(408)	(11)	n.m.
Allowance for inventories obsolescences	(16)	-	n.a.
Loss on disposal of property, plant and equipment, net	(5)	-	n.a.
Write-off for inventories	(33)	(8)	n.m.

Note:

- (1) Other income comprised mainly interest and rental income, government grants under the Special Employment Credit and Wage Credit Scheme. The increase was mainly due to the Wage Credit received.
- (2) The increase in other expenses was mainly attributed to plant and equipment written-off arising from the closure of an outlet in 1Q 2015.
- (3) Share of results of equity-accounted investees relate to the Group's share of the results of its new associated company, Food Glossary Pte Ltd, which commenced operation in October 2014.
- (4) The income tax expense was mainly attributed to the profitable restaurant operations in Singapore and the confectionery and cafe operations in Malaysia. The lower tax expense for 1Q 2015 was mainly due to lower profit from the restaurant operations in Singapore.

n.a.: not applicable
n.m.: not meaningful

Statements of financial position

	Group		Company	
	31-Mar-15 S\$'000	31-Dec-14 S\$'000	31-Mar-15 S\$'000	31-Dec-14 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	20,313	20,886	8,868	9,479
Investment properties	3,352	3,392	1,104	1,113
Intangible assets	453	482	132	140
Investments in subsidiaries	-	-	4,751	4,871
Investments in associated companies (Note 5)	40	57	-	-
Held-to-maturity financial assets	-	-	-	-
Available-for-sale financial assets	35	35	35	35
Loans to subsidiaries	-	-	7,039	7,159
Total non-current assets	24,193	24,852	21,929	22,797
Current assets				
Inventories (Note 6)	2,166	2,537	1,609	1,801
Trade receivables and other receivables	6,790	7,024	5,868	5,803
Fixed deposits (Note 7)	46,991	30,673	45,741	29,408
Cash and bank balances (Note 7)	36,820	51,777	21,811	37,566
Total current assets	92,767	92,011	75,029	74,578
Total assets	116,960	116,863	96,958	97,375
EQUITY AND LIABILITIES				
Equity				
Share capital	43,299	43,299	43,299	43,299
Other reserves	(339)	(317)	-	-
Accumulated profits	55,001	53,550	41,797	40,919
Equity attributable to owners of the Company	97,961	96,532	85,096	84,218
Non-controlling interests	3,107	3,185	-	-
Total equity	101,068	99,717	85,096	84,218
Non-current liability				
Deferred tax liabilities	1,292	1,299	520	520
Total non-current liability	1,292	1,299	520	520
Current liabilities				
Trade payables and other payables (Note 8)	12,464	13,907	9,977	11,198
Borrowings (Note 9)	283	116	-	-
Tax payable	1,853	1,824	1,365	1,439
Total current liabilities	14,600	15,847	11,342	12,637
Total liabilities	15,892	17,146	11,862	13,157
Total equity and liabilities	116,960	116,863	96,958	97,375

Notes to the Statements of financial position:*Note:*

- (5) The decrease in investments in associated companies was due to the equity accounting of the Group's share of losses of its associated company in 1Q 2015.
- (6) The reduction in inventories was due mainly to build-up of higher inventories at year end.
- (7) The increase in fixed deposits was due to the placement of additional fixed deposits, hence there was a corresponding decrease in cash and bank balances.
- (8) The reduction in trade and other payables was due mainly to payments to suppliers and lower purchases in 1Q 2015.
- (9) The increase in borrowings was due to additional borrowings taken up by the Malaysian subsidiary.

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

Amount repayable in one year or less, or on demand

As at 31-Mar-15	
Secured	Unsecured
S\$'000	S\$'000
283	-

As at 31-Dec-14	
Secured	Unsecured
S\$'000	S\$'000
116	-

Amount repayable after one year

As at 31-Mar-15	
Secured	Unsecured
S\$'000	S\$'000
-	-

As at 31-Dec-14	
Secured	Unsecured
S\$'000	S\$'000
-	-

1(b)(ii) Details of collaterals

The Group's borrowings are secured by legal charges over certain properties and pledges of fixed deposits of the Group's Malaysian subsidiary; joint and several corporate guarantees from its holding company (which is a wholly-owned subsidiary of the Company) and the Company.

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.

Statement of cash flows

	Group	
	1Q 2015 S\$'000	1Q 2014 S\$'000
Cash flows from operating activities		
Profit before tax	1,686	1,825
<i>Adjustments for:</i>		
Depreciation and amortisation	816	805
Loss on disposal of property, plant and equipment, net	5	-
Property, plant and equipment written off	408	11
Share of results of equity-accounted investees	17	-
Unrealised foreign exchange (gain)/loss	(258)	14
Interest expense	1	1
Interest income	(114)	(87)
Operating cash flows before movements in working capital	2,561	2,569
<i>Changes in working capital:</i>		
Inventories	371	567
Trade and other receivables	327	(555)
Trade and other payables	(1,449)	(2,052)
Cash from operations	1,810	529
Income tax paid	(364)	(258)
Net cash generated from operating activities	1,446	271
Cash flows from investing activities		
Interest received	114	87
Purchase of property, plant and equipment	(673)	(152)
Proceeds from disposal of property, plant and equipment	20	-
Translation differences	31	81
Net cash (used in)/generated from investing activities	(508)	16
Cash flows from financing activities		
Interest paid	(1)	(1)
Proceeds from short term borrowings, net	166	209
Funds (placed in)/withdrawn from non-liquid deposits	(19)	217
Net cash generated from financing activities	146	425
Net increase in cash and cash equivalents	1,084	712
Cash and cash equivalents at beginning of financial period	82,348	79,601
Effect of exchange rate fluctuations on cash and cash equivalents	258	(14)
Cash and cash equivalents at end of financial period	83,690	80,299
Cash and cash equivalents comprise:		
Fixed deposits	46,991	29,928
Cash and bank balances	36,820	50,472
	83,811	80,400
Less: funds placed in non-liquid deposits	(121)	(101)
	83,690	80,299

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

Statement of changes in equity

Group	Total Equity S\$'000	Equity attributable to owners of the Company S\$'000	Share Capital S\$'000	Other Reserves S\$'000	Accumulated Profits S\$'000	Non- controlling Interests S\$'000
Balance at 1 January 2015	99,717	96,532	43,299	(317)	53,550	3,185
Profit for the period	1,384	1,451	-	-	1,451	(67)
<i>Other comprehensive income:</i> Currency translation differences	(33)	(22)	-	(22)	-	(11)
Other comprehensive income for the period, net of tax	(33)	(22)	-	(22)	-	(11)
Total comprehensive income for the period	1,351	1,429	-	(22)	1,451	(78)
Balance at 31 March 2015	101,068	97,961	43,299	(339)	55,001	3,107
Balance at 1 January 2014	97,189	93,608	43,299	(360)	50,669	3,581
Profit for the period	1,489	1,619	-	-	1,619	(130)
<i>Other comprehensive income:</i> Currency translation differences	67	67	-	67	-	-
Other comprehensive income for the period, net of tax	67	67	-	67	-	-
Total comprehensive income for the period	1,556	1,686	-	67	1,619	(130)
Balance at 31 March 2014	98,745	95,294	43,299	(293)	52,288	3,451

Company	Total Equity S\$'000	Share Capital S\$'000	Other Reserves S\$'000	Accumulated Profits S\$'000
Balance at 1 January 2015	84,218	43,299	-	40,919
Net Profit and total comprehensive income for the period	878	-	-	878
Balance at 31 March 2015	85,096	43,299	-	41,797
Balance at 1 January 2014	83,429	43,299	-	40,130
Net Profit and total comprehensive income for the period	1,386	-	-	1,386
Balance at 31 March 2014	84,815	43,299	-	41,516

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

There were no movements in the share capital of the Company from 31 December 2014 to 31 March 2015.

There were no outstanding convertibles instruments which may be converted to shares as at 31 March 2015 and 31 March 2014. There were no treasury shares held as at 31 March 2015 and 31 March 2014.

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

Total number of issued shares excluding treasury shares

31-Mar-15 '000	31-Dec-14 '000
200,996	200,996

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

Not applicable.

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

The figures have not been audited or reviewed.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 as in the most recently audited financial statements for the year ended 31 December 2014, except for the adoption of certain new/revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that became mandatory from 1 January 2015. The adoption of these new/revised FRS and INT FRS did not have any material effect on the financial information.

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

Please refer to item 4 above.

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

Earnings per ordinary share for the period based on net profit attributable to shareholders

i) Based on weighted average number of ordinary shares on issue

ii) On a fully diluted basis

Group figures	
1Q 2015	1Q 2014
cents	cents
0.72	0.81
0.72	0.81

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.

Net Asset Value per ordinary share based on total number of issued shares excluding treasury shares at the end of the financial period/year (cents)

Group		Company	
31-Mar-15	31-Dec-14	31-Mar-15	31-Dec-14
48.7	48.0	42.3	41.9

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.

8(a) Review of the performance of the group.

1Q 2015 vs 1Q 2014

Group revenue for the quarter ended 31 March 2015 ("1Q 2015") was \$24.4 million, a slight decrease of 2% when compared to approximately \$25 million for the same period last year ("1Q 2014"). This was mainly due to the restaurant operations in Singapore recording a slight decrease in revenue.

Group profit before tax for 1Q 2015 was \$1.7 million, a reduction of 8% as compared to \$1.8 million for 1Q 2014. The restaurant operations in Singapore continue to be the main profit contributor, however its profit contribution in 1Q 2015 was impacted by the write-off of plant and equipment arising from the closure of an outlet.

Group profit after tax for 1Q 2015 was \$1.4 million, a decrease of 7% as compared to \$1.5 million in 1Q 2014. Overall, the Group recorded a profit attributable to owners of the Company of \$1.5 million as compared to \$1.6 million in 1Q 2014 after deducting the share of losses attributable to non-controlling interests.

8(b) Material factors that affect the Group's cash flow, working capital, assets and liabilities.

Cash flow generated from operating activities in 1Q 2015 was \$1.4 million. Net cash used in investing activities of \$0.5 million was mainly for the purchase of plant and equipment. Net cash from financing activities of \$0.1 million was mainly due to additional short term borrowings taken up by the Malaysian subsidiary. Overall, the cash and cash equivalents of the Group increased by \$1.1 million in 1Q 2015 to \$83.7 million as at 31 March 2015.

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

The current announced results are in line with the prospect statement previously disclosed in the Group's 4Q and full year ended 31 December 2014 results announcement made on 26 February 2015.

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 expects the operating environment in the F&B industry to remain competitive and challenging. The increased operating costs, particularly in rental and manpower costs, continue to exert pressure on the profit margin. The Group will remain focused on driving revenue, managing its operating costs and improving operational efficiency. The Group will continue to explore opportunities to expand its portfolio of brands in the F&B sector.

As for the property business, the Group continues to explore investment opportunities in the region for this core business.

11 Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No interim dividend for the first quarter ended 31 March 2015 has been recommended.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions ("IPT").

14 Negative confirmation pursuant to Rule 705(5).

On behalf of the Board, we hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial information for the first quarter ended 31 March 2015 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Chua Tiang Choon, Keith
Executive Chairman

Singapore

14 May 2015

Ang Yee Lim
Managing Director