

**First Quarter Financial Statements And Dividend Announcement For The Period Ended 31 March 2017**

**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**

|  | <b>Group</b>   |                |               |
|--|----------------|----------------|---------------|
|  | <b>1Q 2017</b> | <b>1Q 2016</b> | <b>Change</b> |
|  | <b>S\$'000</b> | <b>S\$'000</b> | <b>%</b>      |
| <b>Revenue</b>   | <b>25,619</b>  | <b>24,849</b>  | 3.1           |
| Cost of sales  | (14,663)       | (14,047)       | 4.4           |
| <b>Gross profit</b>  | <b>10,956</b>  | <b>10,802</b>  | <b>1.4</b>    |
| Other income (Note 1)  | 774            | 1,407          | (45.0)        |
| Selling, distribution and outlet expenses                                    | (6,971)        | (6,681)        | 4.3           |
| Administrative expenses  | (3,286)        | (3,015)        | 9.0           |
| Other expenses (Note 2)  | (25)           | (38)           | (34.2)        |
| Finance costs (Note 3)   | (1)            | (2)            | (50.0)        |
| Share of results of equity-accounted investee, net of tax (Note 4)           | -              | (6)            | (100.0)       |
| <b>Profit before tax</b>   | <b>1,447</b>   | <b>2,467</b>   | <b>(41.3)</b> |
| Income tax expense (Note 5)  | (238)          | (400)          | (40.5)        |
| <b>Profit for the period</b>   | <b>1,209</b>   | <b>2,067</b>   | <b>(41.5)</b> |
| <b>Other comprehensive income:</b>   |                |                |               |
| <u>Items that are or may be reclassified subsequently to profit or loss:</u> |                |                |               |
| Currency translation differences arising on consolidation                    | (397)          | (80)           | n.m.          |
| <b>Other comprehensive loss for the period, net of tax</b>                   | <b>(397)</b>   | <b>(80)</b>    | <b>n.m.</b>   |
|  |                |                |               |
| <b>Total comprehensive income for the period</b>                             | <b>812</b>     | <b>1,987</b>   | <b>(59.1)</b> |
|  |                |                |               |
| <b><u>Profit attributable to:</u></b>  |                |                |               |
| Owners of the Company  | 1,145          | 1,971          | (41.9)        |
| Non-controlling interests  | 64             | 96             | (33.3)        |
| <b>Profit for the period</b>   | <b>1,209</b>   | <b>2,067</b>   | <b>(41.5)</b> |
|  |                |                |               |
| <b><u>Total comprehensive income attributable to:</u></b>                    |                |                |               |
| Owners of the Company  | 764            | 1,861          | (58.9)        |
| Non-controlling interests  | 48             | 126            | (61.9)        |
| <b>Total comprehensive income for the period</b>                             | <b>812</b>     | <b>1,987</b>   | <b>(59.1)</b> |

n.m.: not meaningful

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

|   | Group              |                    |             |
|---|--------------------|--------------------|-------------|
|   | 1Q 2017<br>S\$'000 | 1Q 2016<br>S\$'000 | Change<br>% |
| <b>Profit for the period include the following:</b>                                   |                    |                    |             |
| Other income including interest income and foreign exchange gain, net <i>(Note 1)</i> | 774                | 1,407              | (45.0)      |
| Depreciation and amortisation   | (906)              | (816)              | 11.0        |
| Property, plant and equipment written off <i>(Note 2)</i>                             | (25)               | (50)               | (50.0)      |
| Loss on disposal of property, plant and equipment, net                                | -                  | (3)                | (100.0)     |
| Write-off for inventories   | (1)                | -                  | n.a.        |
| Reversal of impairment in value in an associated company                              | -                  | 6                  | (100.0)     |

*Note:*

- (1) Other income comprised mainly interest and rental income, government grants under the Special Employment Credit and Wage Credit Schemes. The lower other income was due mainly to lower interest income and Wage Credit received.
- (2) Other expenses comprised mainly write-off of plant and equipment.
- (3) Finance costs arose from the borrowings taken up by a Malaysian subsidiary.
- (4) Share of results of equity-accounted investee related to the Group's share of the results of its associated company, Food Glossary Pte Ltd, which had ceased operation in 1Q 2016.
- (5) The lower income tax expense was due mainly to the lower profit from the restaurant operations in Singapore.

n.a.: not applicable

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.

### Statements of financial position

|   | Group                |                      | Company              |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 31-Mar-17<br>S\$'000 | 31-Dec-16<br>S\$'000 | 31-Mar-17<br>S\$'000 | 31-Dec-16<br>S\$'000 |
| <b>ASSETS</b>                                       |                      |                      |                      |                      |
| <b>Non-current assets</b>                           |                      |                      |                      |                      |
| Property, plant and equipment                       | 22,255               | 22,113               | 9,886                | 10,176               |
| Investment properties                               | 3,310                | 3,350                | 1,029                | 1,038                |
| Intangible assets                                   | 257                  | 278                  | 65                   | 73                   |
| Investments in subsidiaries                         | -                    | -                    | 12,256               | 12,256               |
| Investments in associated companies                 | -                    | -                    | -                    | -                    |
| Held-to-maturity financial assets                   | -                    | -                    | -                    | -                    |
| Available-for-sale financial assets                 | 35                   | 35                   | 35                   | 35                   |
| Loans to subsidiaries                               | -                    | -                    | 6,119                | 6,239                |
| <b>Total non-current assets</b>                     | <b>25,857</b>        | 25,776               | <b>29,390</b>        | 29,817               |
| <b>Current assets</b>                               |                      |                      |                      |                      |
| Inventories (Note 6)                                | 2,382                | 2,405                | 1,622                | 1,422                |
| Trade and other receivables                         | 7,284                | 7,107                | 6,525                | 6,523                |
| Fixed deposits                                      | 60,694               | 60,603               | 56,545               | 56,437               |
| Cash and bank balances                              | 20,839               | 21,174               | 5,633                | 5,728                |
| <b>Total current assets</b>                         | <b>91,199</b>        | 91,289               | <b>70,325</b>        | 70,110               |
| <b>Total assets</b>                                 | <b>117,056</b>       | 117,065              | <b>99,715</b>        | 99,927               |
| <b>EQUITY AND LIABILITIES</b>                       |                      |                      |                      |                      |
| <b>Equity</b>                                       |                      |                      |                      |                      |
| Share capital                                       | 43,299               | 43,299               | 43,299               | 43,299               |
| Other reserves (Note 7)                             | (463)                | (82)                 | -                    | -                    |
| Accumulated profits                                 | 57,472               | 56,327               | 44,979               | 44,276               |
| <b>Equity attributable to owners of the Company</b> | <b>100,308</b>       | 99,544               | <b>88,278</b>        | 87,575               |
| <b>Non-controlling interests</b> (Note 8)           | 539                  | 491                  | -                    | -                    |
| <b>Total equity</b>                                 | <b>100,847</b>       | 100,035              | <b>88,278</b>        | 87,575               |
| <b>Non-current liability</b>                        |                      |                      |                      |                      |
| Deferred tax liabilities                            | 1,345                | 1,353                | 510                  | 510                  |
| <b>Total non-current liability</b>                  | <b>1,345</b>         | 1,353                | <b>510</b>           | 510                  |
| <b>Current liabilities</b>                          |                      |                      |                      |                      |
| Trade and other payables (Note 9)                   | 11,036               | 12,334               | 8,324                | 9,275                |
| Provisions  | 2,132                | 1,944                | 1,746                | 1,702                |
| Borrowings (Note 10)                                | 421                  | 176                  | -                    | -                    |
| Tax payable   | 1,275                | 1,223                | 857                  | 865                  |
| <b>Total current liabilities</b>                    | <b>14,864</b>        | 15,677               | <b>10,927</b>        | 11,842               |
| <b>Total liabilities</b>                            | <b>16,209</b>        | 17,030               | <b>11,437</b>        | 12,352               |
| <b>Total equity and liabilities</b>                 | <b>117,056</b>       | 117,065              | <b>99,715</b>        | 99,927               |

### Notes to the Statements of financial position:

Note:

- (6) The increase in inventories at the company level was due mainly to bulk purchase of ingredients in 1Q 2017.
- (7) The reduction in other reserves related to the exchange differences arising from translation of the Group's foreign subsidiaries' financial statements for consolidation.
- (8) The increase in non-controlling interests (NCI) was attributable to the NCI's share of the profit of the Malaysian subsidiaries in 1Q 2017.
- (9) The reduction in trade and other payables was due mainly to payments to suppliers and lower accruals made in 1Q 2017.
- (10) Borrowings of the Group included bank overdraft and short term borrowings taken up by a 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-17 |           |
|-----------------|-----------|
| Secured         | Unsecured |
| S\$'000         | S\$'000   |
| 421             | -         |

| As at 31-Dec-16 |           |
|-----------------|-----------|
| Secured         | Unsecured |
| S\$'000         | S\$'000   |
| 176             | -         |

Amount repayable after one year

| As at 31-Mar-17 |           |
|-----------------|-----------|
| Secured         | Unsecured |
| S\$'000         | S\$'000   |
| -               | -         |

| As at 31-Dec-16 |           |
|-----------------|-----------|
| Secured         | Unsecured |
| S\$'000         | S\$'000   |
| -               | -         |

1(b)(ii) Details of collaterals

The Group's borrowing facilities are secured by legal charges over certain properties and pledges of fixed deposits of the Group's Malaysian subsidiary, corporate guarantees from 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 2017<br>S\$'000 | 1Q 2016<br>S\$'000 |
| <b>Cash flows from operating activities</b>                       |                    |                    |
| Profit before tax   | 1,447              | 2,467              |
| <i>Adjustments for:</i>   |                    |                    |
| Depreciation and amortisation                                     | 906                | 816                |
| Loss on disposal of property, plant and equipment, net            | -                  | 3                  |
| Property, plant and equipment written off                         | 25                 | 50                 |
| Reversal of impairment in value in an associated company          | -                  | (6)                |
| Share of results of equity-accounted investee                     | -                  | 6                  |
| Interest expense  | 1                  | 2                  |
| Interest income   | (167)              | (208)              |
| <b>Operating cash flows before movements in working capital</b>   | 2,212              | 3,130              |
| <i>Changes in working capital:</i>                                |                    |                    |
| Inventories   | 24                 | 247                |
| Trade and other receivables                                       | (108)              | 48                 |
| Trade and other payables  | (1,297)            | (1,109)            |
| Provisions  | 50                 | 53                 |
| Currency translation differences                                  | 2                  | (39)               |
| <b>Cash from operations</b>                                       | 883                | 2,330              |
| Income tax paid   | (254)              | (263)              |
| <b>Net cash generated from operating activities</b>               | 629                | 2,067              |
| <b>Cash flows from investing activities</b>                       |                    |                    |
| Interest received   | 167                | 208                |
| Purchase of property, plant and equipment                         | (976)              | (1,460)            |
| Proceeds from disposal of property, plant and equipment           | -                  | 8                  |
| <b>Net cash used in investing activities</b>                      | (809)              | (1,244)            |
| <b>Cash flows from financing activities</b>                       |                    |                    |
| Interest expense paid   | (1)                | (2)                |
| Proceeds from borrowings  | 113                | -                  |
| Repayment of borrowings   | (176)              | -                  |
| <b>Net cash used in financing activities</b>                      | (64)               | (2)                |
| <b>Net decrease in cash and cash equivalents</b>                  | <b>(244)</b>       | 821                |
| Cash and cash equivalents at beginning of financial period        | 81,664             | 82,110             |
| Effect of exchange rate fluctuations on cash and cash equivalents | (306)              | (212)              |
| <b>Cash and cash equivalents at end of financial period</b>       | <b>81,114</b>      | <b>82,719</b>      |
| <b>Cash and cash equivalents comprise:</b>                        |                    |                    |
| Fixed deposits  | 60,694             | 61,113             |
| Cash and bank balances  | 20,839             | 21,723             |
| Bank overdraft  | (308)              | -                  |
|   | 81,225             | 82,836             |
| Less: funds placed in non-liquid deposits                         | (111)              | (117)              |
|   | <b>81,114</b>      | <b>82,719</b>      |

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<br>S\$'000 | Equity<br>attributable<br>to owners of<br>the<br>Company<br>S\$'000 | Share<br>Capital<br>S\$'000 | Other Accumulated<br>Reserves<br>S\$'000 | Profits<br>S\$'000 | Non-<br>controlling<br>Interests<br>S\$'000 |
|---|-------------------------|---|-----------------------------|--|--------------------|---|
| <b>Balance at 1 January 2017</b>  | <b>100,035</b>          | <b>99,544</b>   | <b>43,299</b>               | <b>(82)</b>                              | <b>56,327</b>      | <b>491</b>                                  |
| <b>Profit for the period</b>  | <b>1,209</b>            | <b>1,145</b>  | <b>-</b>                    | <b>-</b>                                 | <b>1,145</b>       | <b>64</b>                                   |
| <i>Other comprehensive loss:</i><br>Currency translation differences          | (397)                   | (381)   | -                           | (381)                                    | -                  | (16)  |
| Other comprehensive loss for the<br>period, net of tax                        | (397)                   | (381)   | -                           | (381)                                    | -                  | (16)  |
| <b>Total comprehensive income/(loss)<br/>for the period</b>                   | <b>812</b>              | <b>764</b>  | <b>-</b>                    | <b>(381)</b>                             | <b>1,145</b>       | <b>48</b>                                   |
| <b>Balance at 31 March 2017</b>   | <b>100,847</b>          | <b>100,308</b>  | <b>43,299</b>               | <b>(463)</b>                             | <b>57,472</b>      | <b>539</b>                                  |
| <b>Balance at 1 January 2016</b>  | 99,222                  | 98,905  | 43,299                      | (336)                                    | 55,942             | 317   |
| Profit for the period   | 2,067                   | 1,971   | -                           | -  | 1,971              | 96  |
| <i>Other comprehensive (loss)/income:</i><br>Currency translation differences | (80)                    | (110)   | -                           | (110)                                    | -                  | 30  |
| Other comprehensive (loss)/income for<br>the period, net of tax               | (80)                    | (110)   | -                           | (110)                                    | -                  | 30  |
| <b>Total comprehensive income/(loss)<br/>for the period</b>                   | <b>1,987</b>            | <b>1,861</b>  | <b>-</b>                    | <b>(110)</b>                             | <b>1,971</b>       | <b>126</b>                                  |
| <b>Balance at 31 March 2016</b>   | <b>101,209</b>          | <b>100,766</b>  | <b>43,299</b>               | <b>(446)</b>                             | <b>57,913</b>      | <b>443</b>                                  |

| Company  | Total Equity<br>S\$'000 | Share<br>Capital<br>S\$'000 | Other Accumulated<br>Reserves<br>S\$'000 | Profits<br>S\$'000 |
|--|-------------------------|-----------------------------|--|--------------------|
| Balance at 1 January 2017                                | 87,575                  | 43,299                      | -  | 44,276             |
| Net profit and total comprehensive income for the period | 703                     | -                           | -  | 703                |
| <b>Balance at 31 March 2017</b>                          | <b>88,278</b>           | <b>43,299</b>               | <b>-</b>                                 | <b>44,979</b>      |
| Balance at 1 January 2016                                | 84,771                  | 43,299                      | -  | 41,472             |
| Net profit and total comprehensive income for the period | 1,351                   | -                           | -  | 1,351              |
| <b>Balance at 31 March 2016</b>                          | <b>86,122</b>           | <b>43,299</b>               | <b>-</b>                                 | <b>42,823</b>      |

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 2016 to 31 March 2017.

There were no outstanding convertibles instruments which may be converted to shares as at 31 March 2017 and 31 March 2016. There were no treasury shares held as at 31 March 2017 and 31 March 2016.

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.

| 31-Mar-17<br>'000 | 31-Dec-16<br>'000 |
|-------------------|-------------------|
| 200,996           | 200,996           |

Total number of issued shares excluding treasury shares

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 2016, except for the adoption of certain new/revised Financial Reporting Standards (FRS) that became mandatory from 1 January 2017. The adoption of these new/revised 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 2017       | 1Q 2016 |
| cents         | cents   |
| 0.57          | 0.98    |
| 0.57          | 0.98    |

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-17 | 31-Dec-16 | 31-Mar-17 | 31-Dec-16 |
| 49.9      | 49.5      | 43.9      | 43.6      |

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.

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

Group revenue for the quarter ended 31 March 2017 ("1Q 2017") increased 3.1% to \$25.6 million when compared to \$24.8 million for the same period last year ("1Q 2016"). The increase was mainly attributable to the incremental revenue contribution from new outlets.

Group profit before tax for 1Q 2017 was \$1.4 million, a reduction of 41.3% as compared to \$2.5 million for 1Q 2016. The profit contribution was affected by increased operating costs and lower government grant from the Wage Credit Scheme.

Group profit after tax for 1Q 2017 was \$1.2 million, a decrease of 41.5% as compared to \$2.1 million in 1Q 2016. After deducting the share of profit attributable to non-controlling interests, the Group recorded a profit attributable to owners of the Company of \$1.1 million, 41.9% lower when compared to approximately \$2.0 million in 1Q 2016.

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

Cash flow generated from operating activities before working capital changes was \$2.2 million in 1Q 2017. Net cash used in funding the working capital changes was mainly for the settlements of trade and other payables. Net cash used in investing activities of \$0.8 million was mainly for the purchase of plant and equipment. Net cash used in financing activities was due mainly to repayment of short term borrowings. Overall, the cash and cash equivalents of the Group decreased by \$0.2 million in 1Q 2017, ending the period with a cash and cash equivalents of \$81.1 million.

**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 2016 results announcement made on 22 February 2017.

**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 food and beverage industry to remain challenging. Besides competitive pressures, increased operating costs will continue to affect the profit margin. To counter these challenges, the Group will remain focus on controlling its operating costs and improving operational efficiencies.

The Company made an announcement on 18 January 2017 in relation to the proposed acquisition of the Chilli Padi Group. The Company has commenced due diligence and will provide updates to shareholders as and when necessary.

On the property business, the Company made an announcement on 12 April 2017 in relation to the acquisition of a new wholly-owned subsidiary, Permai Puncakmas Sdn Bhd, for purpose of property investment in Malaysia. The Group will continue to pursue investment opportunities in the region to develop the property 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 2017 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 2017 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Chua Tiang Choon, Keith  
Executive Chairman

Ang Yee Lim  
Managing Director

Singapore  
11 May 2017

- 15 **Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the SGX Listing Manual.**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the SGX Listing Manual.

**BY ORDER OF THE BOARD**

Ang Lian Seng  
Executive Director

11 May 2017