



RE&S HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201714588N)

Unaudited Financial Statements

For the first quarter ended 30 September 2018

RE&S Holdings Limited (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 22 November 2017. The initial public offering of the Company (the “**IPO**”) was sponsored by DBS Bank Ltd. (the “**Sponsor**” or “**DBS Bank**”).

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Ms Heng Mui Mui, Managing Director, and Ms. Andrea Chua, Vice President, at 12 Marina Boulevard Level 46, Marina Bay Financial Centre Tower 3, Singapore 018982, Telephone +65 6878 8888.

Background

The Company was incorporated on 26 May 2017 in Singapore under the Singapore Companies Act as a company limited by shares under the name of “RE&S Enterprise Holdings Pte. Ltd.”. On 31 July 2017, the Company was renamed “RE&S Holdings Pte. Ltd.”. The Company was converted into a public limited company and renamed “RE&S Holdings Limited” on 8 November 2017.

The Group comprising the Company and its subsidiaries (the “**Group**”) was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of a corporate reorganisation implemented for the purposes of the Company’s listing on Catalist. Please refer to the Company’s offer document dated 15 November 2017 (“**Offer Document**”) for further details on the Restructuring Exercise.

The Group is a concept owner and operator of F&B Outlets that provides customers with authentic Japanese cuisine and dining experiences. The Group business is undertaken primarily through two business segments, namely the Full-Service Restaurants and the Quick-Service Restaurants, Convenience and Others.

For the purpose of this announcement, the results of the Group for the first quarter ended 30 September 2018 (“**1Q FY2019**”) with the comparative results of the Group for the first quarter ended 30 September 2017 (“**1Q FY2018**”) have been prepared on the assumption that the group structure following the completion of the Restructuring Exercise has been in place since 1 July 2017.

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENT

- 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.

Consolidated Statements Of Profit Or Loss And Other Comprehensive Income

	Group		
	Unaudited 1Q FY2019 S\$'000	Unaudited 1Q FY2018 S\$'000	<i>Increase / (decrease) %</i>
Revenue	35,246	34,713	1.5%
Raw materials and consumables used	(9,109)	(9,401)	(3.1%)
Changes in inventories of finished goods	(393)	(256)	53.5%
Other operating income	222	159	39.6%
Employee benefits expense	(12,410)	(12,159)	2.1%
Operating lease expenses	(6,504)	(6,115)	6.4%
Utilities expenses	(1,090)	(1,012)	7.7%
Depreciation expense	(2,183)	(2,087)	4.6%
Other operating expenses	(2,331)	(2,217)	5.1%
Other expenses	(325)	(634)	(48.7%)
Finance costs	(72)	(96)	(25.0%)
Profit before income tax	1,051	895	17.4%
Income tax expense	(347)	(209)	66.0%
Profit, net of income tax	704	686	2.6%
<u>Other comprehensive income:</u>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of income tax	12	25	(52.0%)
Total comprehensive income	716	711	0.7%

1(a) (ii) Profit before income tax is arrived at after charging / (crediting) the following:

	Group		
	Unaudited	Unaudited	Increase/ (decrease)
	1Q FY2019	1Q FY2018	
	S\$'000	S\$'000	%
Government grants	(199)	(100)	99.0%
Other income	(17)	(56)	(69.6%)
Depreciation expense	2,183	2,087	4.6%
Plant and equipment written off	10	378	(97.4%)

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.

Consolidated Statements of Financial Position

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30.09.2018	30.06.2018	30.09.2018	30.06.2018
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property, plant and equipment	39,194	39,937	-	-
Investment in subsidiaries	-	-	21,636	21,636
Other receivables, non-current	-	-	10,671	10,671
Other assets, non-current	4,663	3,980	-	-
Total non-current assets	43,857	43,917	32,307	32,307
Current assets				
Inventories	2,282	2,676	-	-
Trade and other receivables, current	2,115	1,503	3,831	5,363
Other assets, current	2,507	2,878	16	8
Cash and cash equivalents	15,489	13,525	420	221
Total current assets	22,393	20,582	4,267	5,592
Total assets	66,250	64,499	36,574	37,899
Equity and liabilities				
Share capital	32,307	32,307	32,307	32,307
Merger reserve ⁽¹⁾	(18,149)	(18,149)	-	-
Retained earnings	22,194	21,490	3,607	3,575
Foreign currency translation reserve	(36)	(48)	-	-
Total equity	36,316	35,600	35,914	35,882
Non-current liabilities				
Deferred tax liabilities	1,608	1,608	-	-
Provision, non-current	1,799	1,799	-	-
Other financial liabilities, non-current	10,804	10,971	-	-
Total non-current liabilities	14,211	14,378	-	-

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.

Consolidated Statements of Financial Position (cont'd)

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30.09.2018	30.06.2018	30.09.2018	30.06.2018
	S\$'000	S\$'000	S\$'000	S\$'000
Current liabilities				
Income tax payable	1,703	1,734	15	5
Trade and other payables	13,229	10,951	645	2,012
Other financial liabilities, current	693	1,735	-	-
Other liabilities	98	101	-	-
Total current liabilities	15,723	14,521	660	2,017
Total liabilities	29,934	28,899	660	2,017
Total equity and liabilities	66,250	64,499	36,574	37,899

Note:

- (1) The negative merger reserve relates to the difference between the consideration paid by the Company and the equity of R E & S Enterprises Pte Ltd acquired in relation to the restructuring exercise undertaken in relation to the listing of the Company on the Catalyst Board of the SGX-ST ("**Restructuring Exercise**"). The acquisition of R E & S Enterprises Pte Ltd by the Company was completed on 26 October 2017.

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

	Group		Group	
	Unaudited		Audited	
	30.09.2018		30.06.2018	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
(A) Amount repayable in one year or less, or on demand;	693	-	1,735	-
(B) Amount repayable after one year	10,804	-	10,971	-
	<u>11,497</u>	<u>-</u>	<u>12,706</u>	<u>-</u>

Details of any collaterals:

The banking facilities of the Group as at 30 September 2018 comprise short term and long term loans. These facilities are secured by:

- (i) Corporate guarantees from the Company; and
- (ii) A legal mortgage of the subsidiary's leasehold factory building (for the bank loans and overdraft).

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.

Consolidated Statement of Cash Flows

	Group	
	Unaudited 1Q FY2019 S\$'000	Unaudited 1Q FY2018 S\$'000
Cash flows from operating activities:		
Profit before income tax	1,051	895
Adjustments for:		
Interest income	(7)	(4)
Interest expense	72	96
Plant and equipment written off	10	378
Depreciation of property, plant and equipment	2,183	2,087
Net effect of exchange rate changes in consolidating foreign operations	12	27
Operating cash flows before changes in working capital	3,321	3,479
Inventories	394	256
Trade and other receivables, current	(612)	(599)
Reinstatement cost utilised	-	(84)
Trade and other payables, current	2,321	220
Other assets, current	371	455
Other liabilities	(3)	(3)
Net cash flows from operations	5,792	3,724
Income tax paid	(421)	17
Net cash flows from operating activities	5,371	3,741
Cash flows from investing activities:		
Purchase of plant and equipment	(1,450)	(3,065)
Disposal of plant and equipment	-	364
Other assets, non-current	(683)	(221)
Interest received	7	4
Net cash flows used in investing activities	(2,126)	(2,918)
Cash flows from financing activities:		
Decrease in other financial liabilities	(1,209)	(989)
Interest paid	(72)	(96)
Net cash flows used in financing activities	(1,281)	(1,085)
Net increase (decrease) in cash and cash equivalents	1,964	(262)
Cash and cash equivalents at beginning of year	11,865	3,998
Cash and cash equivalents at end of year	13,829	3,736
Notes to Statement of Cash Flows:		
Cash and cash equivalents in the statement of financial position	15,489	3,898
Cash restricted over 3 months	(1,660)	(162)
Cash and cash equivalents as shown above	13,829	3,736

- 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.

Statements of Changes in Equity

	Share capital S\$'000	Merger reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
Group (Unaudited)					
Balance as at 1 July 2018	32,307	(18,149)	(48)	21,490	35,600
Total comprehensive income for the period	-	-	12	704	716
Balance as at 30 September 2018	<u>32,307</u>	<u>(18,149)</u>	<u>(36)</u>	<u>22,194</u>	<u>36,316</u>

	Share capital S\$'000	Merger reserve S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
Group (Unaudited)					
Balance as at 1 July 2017	2,800	-	(27)	21,922	24,695
Total comprehensive income for the period	-	-	25	686	711
Balance as at 30 September 2017	<u>2,800</u>	<u>-</u>	<u>(2)</u>	<u>22,608</u>	<u>25,406</u>

	Share capital S\$'000	Retained earnings S\$'000	Total equity S\$'000
Company (Unaudited)			
Balance as at 1 July 2018	32,307	3,575	35,882
Total comprehensive income for the period	-	32	32
Balance as at 30 September 2018	<u>32,307</u>	<u>3,607</u>	<u>35,914</u>

- 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.

Statements of Changes in Equity (cont'd)

	Share capital S\$'000	Retained earnings S\$'000	Total equity S\$'000
<u>Company (Audited)</u>			
Balance as at 1 July 2017	0*	-	0*
Total comprehensive income for the period	-	-	-
Balance as at 30 September 2017	0*	-	0*

* - Less than S\$1,000

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of 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 end of the corresponding period of the immediately preceding financial year.**

There has been no change in the Company's issued share capital since 30 June 2018.

The Company has no treasury shares or convertible instruments as at 30 September 2018 and as at 30 September 2017.

- 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.**

	Unaudited	Audited
	30.09.2018	30.06.2018
Total number of issued shares	354,000,000	354,000,000

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

The Company did not have any treasury shares during, and at the end of, the financial period reported on.

- 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.**

The Company did not have any subsidiary holdings during, and at the end of, the financial period reported on.

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 Company's auditors.

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

Not applicable as the figures have not been audited or reviewed by the Company's auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Same as disclosed in Section 5 below, the accounting policies and methods of computation adopted in the financial statements for the reporting period are consistent with those disclosed in the most recently audited consolidated financial statements for the financial year ended 30 June 2018.

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 has adopted all the applicable new and revised Singapore Financial Reporting Standards International ("SFRS(I)") and the related Interpretations ("SFRS(I)INT") that are mandatory for the accounting periods beginning on or after 1 July 2018. The adoption of these new and revised SFRS(I) and SFRS(I)INT did not result in any substantial change to the Group's and the Company's accounting policies and has no significant impact on the financial statements for the current financial reporting period.

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.

	Group	
	Unaudited 1Q FY2019	Unaudited 1Q FY2018
<u>Earnings per share ("EPS")</u>		
Profit attributable to owners of the Company (S\$'000)	704	686
(i) Based on weighted average number of ordinary shares in issue ('000)	354,000	354,000
(ii) On a basic and diluted basis (Singapore cents per share)	0.20	0.19

Note:-

- (1) For comparatives purposes, the EPS for the respective financial periods have been computed based on the profit attributable to owners of the Company and share capital of 354,000,000 shares assuming that the Restructuring Exercise and the issuance of 54,000,000 new shares pursuant to the IPO had been completed as at 1 July 2016.

The basic and fully diluted earnings per share were the same as there were no dilutive ordinary shares in issue as at 30 September 2018 and 30 September 2017.

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.

	Group		Company	
	30.09.2018	30.06.2018	30.09.2018	30.06.2018
Net asset value (" NAV ") (S\$'000)	36,316	35,600	35,914	35,882
Number of ordinary shares in issue ('000)	354,000	354,000	354,000	354,000
Net asset value per ordinary share (Singapore cents per share)	10.26	10.06	10.15	10.14

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 affect the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

Consolidated Statement of Comprehensive Income
1Q FY2019 compared to 1Q FY2018

	Group Unaudited		Increase/ (decrease) %
	1Q FY2019 S\$'000	1Q FY2018 S\$'000	
<u>Revenue</u>			
Full-Service Restaurants	25,090	24,968	0.5%
Quick-Service Restaurants, Convenience and Others	10,156	9,745	4.2%
	<u>35,246</u>	<u>34,713</u>	

Revenue

The Group's revenue increased by 1.5%, or approximately S\$0.5 million, from S\$34.7 million in 1Q FY2018 to S\$35.2 million in 1Q FY2019.

This increase was due to increase in revenue from both the Full-Service Restaurants and Quick-Service Restaurants, Convenience and Others segments of 0.5% and 4.2% respectively.

For the Full-Service Restaurants segment, revenue growth was driven by stable contributions from the Group's key concepts such as Ichiban Sushi, whilst the increase in revenue from Quick-Service Restaurants, Convenience and Others segment was mainly due to contribution for a full quarter in 1Q FY2019 by the Japanese food alley which commenced operations in end of 1Q FY2018.

Raw materials and consumables used

The raw materials and consumables used (taking into account the changes in closing inventories) as a percentage of revenue, fell slightly from 27.8% in 1Q FY2018 to 27.0% in 1Q FY2019, largely attributable to a decrease in average salmon prices.

Operating lease expenses

Operating lease expenses increased by 6.4%, or approximately S\$0.4 million, from S\$6.1 million in 1Q FY2018 to S\$6.5 million in 1Q FY2019, mainly attributable to operating lease expenses incurred for newly opened outlets in 2H FY2018.

Consolidated Statement of Comprehensive Income (cont'd)
1Q FY2019 compared to 1Q FY2018 (cont'd)

Utilities expenses

Utilities expenses increased by 7.7%, or approximately S\$0.1 million, from S\$1.0 million in 1Q FY2018 to S\$1.1 million in 1Q FY2019. This was mainly due to (i) tariff hikes in utilities; and (ii) the opening of new outlets after 1Q FY2018.

Depreciation expenses

Depreciation expenses increased by 4.6%, or approximately S\$0.1 million, from S\$2.1 million in 1Q FY2018 to S\$2.2 million in 1Q FY2019, mainly attributable to the opening of new outlets in 2H FY2018.

Other operating expenses

Other operating expenses increased by 5.1% or approximately S\$0.1 million, from S\$2.2 million in 1Q FY2018 to S\$2.3 million in 1Q FY2019. This was mainly attributable to (i) higher commission incurred as a result of increased revenue in 1Q FY2019; and (ii) higher repair and maintenance costs incurred for our central kitchen and existing F&B outlets.

Other expenses

Other expenses decreased by 48.7% or approximately S\$0.3 million, from S\$0.6 million in 1Q FY2018 to S\$0.3 million in 1Q FY2019. This was mainly due to plant and equipment written off of approximately \$0.4 million in 1Q FY2018 in relation to the revamping of existing outlets into a Japanese food alley.

Profit before Tax

Profit before tax increased by 17.4% or approximately S\$0.2 million, from S\$0.9 million in 1Q FY2018 to S\$1.1 million in 1Q FY2019, mainly due to the increase in revenue and lower other expenses as explained above.

Income tax expense

Income tax expense increased by 66.0%, or approximately S\$0.1 million, from S\$0.2 million in 1Q FY2018 to S\$0.3 million in 1Q FY2019. It was mainly due to increase in non-deductible expenses such as depreciation and lesser capital allowance claimed during the period.

Profit, net of income tax

The Group recorded a consistent profit net of income tax of S\$0.7 million in 1Q FY2019 and 1Q FY2018 respectively.

Consolidated Statements of Financial Position

The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 30 September 2018 and 30 June 2018.

Non-current assets

The Group's non-current assets remained relatively constant at S\$43.9 million as at 30 June 2018 and as at 30 September 2018. As at 30 September 2018, there was a decrease in property, plant and equipment of S\$0.7 million which was offset by an increase in the other assets, non-current of S\$0.7 million.

The decrease in property, plant and equipment was mainly due to depreciation expenses of S\$2.2 million and plant and equipment written off of S\$10,000 which were partially offset by the addition of plant and equipment of S\$1.5 million. Other assets, non-current increased by S\$0.7 million mainly due to refundable rental deposits placed with the lessors.

Current assets

The Group's current assets increased by S\$1.8 million from S\$20.6 million as at 30 June 2018 to S\$22.4 million as at 30 September 2018 mainly due to (i) increase in cash and cash equivalents of S\$2.0 million, (ii) increase in trade and other receivables of S\$0.6 million; partially offset by (iii) decrease in inventories of S\$0.4 million and (iv) decrease in other assets, current of S\$0.4 million.

The increase in cash and cash equivalents was mainly due to (i) compensation of S\$1.4 million received from the landlord for the plant and equipment to be written off for our five existing outlets at Great World City which, will be closed for interim periods starting 2Q FY2019 and 4Q FY2019 in connection with the major enhancement works of Great World City. The write-off of plant and equipment for these outlets will be recognised as and when the interim closures take place; (ii) refund of rental deposits amounting to S\$0.3 million which were replaced with bankers' guarantee; and (iii) receipt of S\$0.1 million government grant for a job redesign initiative. The increase in trade and other receivables was in line with the increase in revenue. The decrease in inventories was mainly attributable to a lower purchase of raw materials whilst decrease in other assets, current was mainly due to renewal of existing leases for more than a year.

Non-current liabilities

The Group's non-current liabilities decreased by S\$0.2 million from S\$14.4 million as at 30 June 2018 to S\$14.2 million as at 30 September 2018 due to the repayment of bank borrowings.

Consolidated Statements of Financial Position (cont'd)

Current liabilities

The Group's current liabilities increased by S\$1.2 million from S\$14.5 million as at 30 June 2018 to S\$15.7 million as at 30 September 2018. This was mainly attributable to the increase in trade and other payables of S\$2.3 million, mainly due to (i) increase in provision of S\$0.6 million for staff performance bonus for FY2018 and 1Q FY2019; (ii) increase in non-trade payables for purchase of non-current assets of S\$0.3 million; and (iii) compensation of S\$1.4 million received as mentioned above under "Current assets". This was partially offset by a decrease in financial liabilities of S\$1.0 million due to the repayment of short-term loans.

Consolidated Statements of Cash Flows

The Group's net cash generated from operating activities was S\$5.4 million in 1Q FY2019, mainly due to operating cash flows before changes in the working capital of S\$3.3 million, net working capital inflows of S\$2.5 million and income taxes paid of S\$0.4 million. The net working capital inflows were due to (i) an increase in trade and other payables of S\$2.3 million; (ii) a decrease in inventories of S\$0.4 million and (iii) a decrease in other assets of S\$0.4 million. These were partially offset by an increase in trade and other receivable of S\$0.6 million.

The Group's net cash flows used in investing activities during 1Q FY2019 amounted to S\$2.1 million, mainly attributable to (i) the renovation of existing outlets and the purchase of plant and equipment amounting to S\$1.4 million, and (ii) an increase in other assets, non-current of S\$0.7 million. The increase was mainly due to the renewal of existing leases and rental deposit paid to secure new sites for the upcoming outlets.

The Group's net cash used in financing activities was S\$1.3 million during 1Q FY2019, mainly due to (i) repayment of bank borrowing of S\$1.2 million; and (ii) interest paid of S\$0.1 million.

As a result, cash and cash equivalents increased by S\$2.0 million in 1Q FY2019.

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

Not applicable as no specific forecast or a prospect statement has been issued previously.

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 F&B industry is expected to continue being challenging, driven by intensifying competition, manpower shortage and rising costs. Nonetheless, the Group remains committed in growing its businesses through selective stores opening and constant brands reinvigoration within the Group's two core retail segments; and continue its focus on increasing the contribution from QSR segment. Strategic partnerships, joint ventures as well as mergers and acquisitions shall also be actively explored.

11. Dividend

(a) Current Financial Period Reported On: Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year: Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) The date the dividend is payable.

Not applicable.

(d) Books closure date.

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 September 2018.

13. If the Group has obtained 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 IPT.

14. Utilisation of Proceeds from the IPO

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:

Use of proceeds from the Invitation	Allocated S\$'000	Utilised S\$'000	Balance S\$'000
Business expansion, through establishment of new F&B Outlets and/or suitable acquisitions, joint ventures or strategic alliances	7,000	3,612	3,388
Refurbishment and improvement of our existing F&B Outlets	2,000	995	1,005
For our general corporate and working capital requirements	1,357	1,357	-
For payment of underwriting and placement commissions as well as offering expenses	1,523	1,523	-
Gross proceeds from the Invitation	11,880	7,487	4,393

Note:

The amount deployed for general working capital is for rental expenses.

The above utilisation is in accordance with the intended use of IPO net proceeds, as stated in the Company's Offer Document dated 15 November 2017.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual.

16. Negative Confirmation of Interim Financial Results pursuant to Rule 705(5) of the Catalist Listing Manual

The Board of Directors of the Company confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for the first quarter ended 30 September 2018 to be false or misleading in any material aspect.

Yek Hong Liat John
Executive Director and CEO

Hiroshi Tatara
Executive Director and President

By Order of the Board

Yek Hong Liat John
Executive Director and CEO
Date : 5 November 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Rules of Catalist. The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume 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 persons for the Sponsor are Ms Heng Mui Mui, Managing Director, and Ms. Andrea Chua, Vice President, at 12 Marina Boulevard Level 46, Marina Bay Financial Centre Tower 3, Singapore 018982, Telephone +65 6878 8888.