

**Third Quarter and Nine Months Financial Statements And Dividend Announcement For The Period Ended 30 September 2018**

**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**

	Group			Group		
	3Q 2018 S\$'000	3Q 2017 S\$'000	Change %	30-Sep-18 S\$'000	30-Sep-17 S\$'000	Change %
<b>Revenue</b>	<b>31,966</b>	<b>32,555</b>	(1.8)	<b>92,213</b>	<b>84,293</b>	9.4
Cost of sales	(18,475)	(18,125)	1.9	(53,772)	(47,863)	12.3
<b>Gross profit</b>	<b>13,491</b>	<b>14,430</b>	<b>(6.5)</b>	<b>38,441</b>	<b>36,430</b>	<b>5.5</b>
Other income (Note 1)	533	469	13.6	1,877	1,580	18.8
Selling, distribution and outlet expenses	(8,553)	(8,138)	5.1	(25,165)	(22,271)	13.0
Administrative expenses	(3,992)	(4,226)	(5.5)	(11,792)	(10,602)	11.2
Other expenses (Note 2)	(181)	(10)	n.m.	(399)	(55)	n.m.
Finance costs (Note 3)	(22)	(17)	29.4	(57)	(19)	n.m.
Share of results of equity-accounted investees, net of tax (Note 4)	40	(116)	n.m.	(243)	(152)	59.9
<b>Profit before tax</b>	<b>1,316</b>	<b>2,392</b>	<b>(45.0)</b>	<b>2,662</b>	<b>4,911</b>	<b>(45.8)</b>
Income tax expense (Note 5)	(193)	(397)	(51.4)	(514)	(806)	(36.2)
<b>Profit for the period</b>	<b>1,123</b>	<b>1,995</b>	<b>(43.7)</b>	<b>2,148</b>	<b>4,105</b>	<b>(47.7)</b>
<b>Other comprehensive (loss)/income:</b>						
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Currency translation differences	(177)	(99)	78.8	318	(500)	n.m.
<b>Other comprehensive (loss)/income for the period, net of tax</b>	<b>(177)</b>	<b>(99)</b>	<b>78.8</b>	<b>318</b>	<b>(500)</b>	<b>n.m.</b>
<b>Total comprehensive income for the period</b>	<b>946</b>	<b>1,896</b>	<b>(50.1)</b>	<b>2,466</b>	<b>3,605</b>	<b>(31.6)</b>
<b>Profit attributable to:</b>						
Owners of the Company	979	1,731	(43.4)	1,718	3,734	(54.0)
Non-controlling interests	144	264	(45.5)	430	371	15.9
<b>Profit for the period</b>	<b>1,123</b>	<b>1,995</b>	<b>(43.7)</b>	<b>2,148</b>	<b>4,105</b>	<b>(47.7)</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	825	1,629	(49.4)	2,034	3,234	(37.1)
Non-controlling interests	121	267	(54.7)	432	371	16.4
<b>Total comprehensive income for the period</b>	<b>946</b>	<b>1,896</b>	<b>(50.1)</b>	<b>2,466</b>	<b>3,605</b>	<b>(31.6)</b>

n.m.: not meaningful

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

	Group			Group		
	3Q 2018 S\$'000	3Q 2017 S\$'000	Change %	30-Sep-18 S\$'000	30-Sep-17 S\$'000	Change %
<b>Profit for the period include the following:</b>						
Other income including interest income and foreign exchange gain, net (Note 1)	533	469	13.6	1,877	1,580	18.8
Depreciation and amortisation (Note 6)	(1,203)	(1,091)	10.3	(3,675)	(2,929)	25.5
Foreign exchange loss, net (Note 2)	(166)	-	n.a.	(159)	-	n.a.
Property, plant and equipment written off (Note 2)	(14)	(11)	27.3	(223)	(56)	n.m.
Write back of allowance for doubtful trade debts	-	-	n.a.	3	-	n.a.
Gain/(Loss) on disposal of property, plant and equipment, net	1	-	n.a.	(2)	-	n.a.
Write-off for inventories	(12)	(2)	n.m.	(15)	(17)	(11.8)
Bad trade debts written off	(1)	-	n.a.	(7)	-	n.a.
Over provision for tax of prior years (Note 7)	5	7	(28.6)	142	7	n.m.

Note:

- (1) The increase in other income for 3Q 2018 was due mainly to higher interest income. The increase in other income for YTD September 2018 was due mainly to management fee income and higher interest income.
- (2) Other expenses for 3Q 2018 comprised mainly foreign exchange losses arising from revaluation of inter-company balances and fixed deposits denominated in foreign currencies. The increase in other expenses for YTD September 2018 was due mainly to write-off of plant and equipment arising from renovation of outlets in 2Q 2018 and foreign exchange losses.
- (3) The increase in finance costs was due mainly to the new hire purchase financing taken up by the Malaysian subsidiary in June 2018 and the deemed finance costs on the balance consideration payable for the acquisition of 80% interest in Chilli Padi Holding Pte Ltd.
- (4) The improved result from the associated company, Sering Manis Sdn Bhd, in 3Q 2018 was due to the capitalisation of finance costs as part of the project development costs following the undertaking of certain activities in preparing for commencement of the project development. The increase in share of losses from equity-accounted investees for YTD September 2018 was attributed to the share of losses of the joint venture, ABR CCH Land Sdn Bhd ("ACLSB").
- (5) The lower income tax expense for 3Q 2018 and YTD September 2018 was due to lower profit registered for the period.
- (6) The increase in depreciation and amortisation for YTD September 2018 was mainly attributed to the new F&B business acquired in July 2017.
- (7) The over provision for tax of prior years was in relation to reversal of over provision of current income tax for prior years and deferred tax arising from the amortisation of intangible assets.

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

**Statements of financial position**

	Group		Company	
	30-Sep-18 S\$'000	31-Dec-17 S\$'000	30-Sep-18 S\$'000	31-Dec-17 S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	23,090	24,924	8,321	9,203
Investment properties	3,047	3,168	973	1,001
Intangible assets	16,496	16,878	-	-
Investments in subsidiaries	-	-	38,344	39,144
Interests in equity-accounted investees (Note 8)	7,880	7,775	-	-
Held-to-maturity financial assets	-	-	-	-
Available-for-sale financial assets	35	35	35	35
Loans to subsidiaries (Note 9)	-	-	8,708	10,459
Loans to equity-accounted investee (Note 8,10)	2,245	1,450	-	-
Other asset	381	381	381	381
<b>Total non-current assets</b>	<b>53,174</b>	<b>54,611</b>	<b>56,762</b>	<b>60,223</b>
<b>Current assets</b>				
Inventories	2,327	2,727	1,450	1,607
Trade and other receivables (Note 11)	11,187	14,531	7,130	6,557
Fixed deposits (Note 12)	42,104	31,212	29,117	27,962
Cash and bank balances (Note 12)	16,200	25,399	3,102	6,813
<b>Total current assets</b>	<b>71,818</b>	<b>73,869</b>	<b>40,799</b>	<b>42,939</b>
<b>Total assets</b>	<b>124,992</b>	<b>128,480</b>	<b>97,561</b>	<b>103,162</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	43,299	43,299	43,299	43,299
Other reserves	(1,895)	(2,211)	-	-
Accumulated profits	54,095	57,402	39,673	45,003
<b>Equity attributable to owners of the Company</b>	<b>95,499</b>	<b>98,490</b>	<b>82,972</b>	<b>88,302</b>
<b>Non-controlling interests</b>	<b>3,395</b>	<b>2,963</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>98,894</b>	<b>101,453</b>	<b>82,972</b>	<b>88,302</b>
<b>Non-current liabilities</b>				
Borrowings (Note 14)	342	-	-	-
Deferred tax liabilities	2,880	2,982	340	340
Provision	1,142	1,142	825	825
Other liabilities	5,037	4,995	3,137	3,095
<b>Total non-current liabilities</b>	<b>9,401</b>	<b>9,119</b>	<b>4,302</b>	<b>4,260</b>
<b>Current liabilities</b>				
Trade and other payables	14,260	15,191	9,136	9,249
Provisions (Note 13)	1,579	1,293	1,044	858
Borrowings (Note 14)	80	142	-	-
Tax payable (Note 15)	778	1,282	107	493
<b>Total current liabilities</b>	<b>16,697</b>	<b>17,908</b>	<b>10,287</b>	<b>10,600</b>
<b>Total liabilities</b>	<b>26,098</b>	<b>27,027</b>	<b>14,589</b>	<b>14,860</b>
<b>Total equity and liabilities</b>	<b>124,992</b>	<b>128,480</b>	<b>97,561</b>	<b>103,162</b>

**1(b)(i) Notes to the Statements of financial position:***Note:*

- (8) The non-current loans to an equity-accounted investee in prior year have been re-presented and included in interests in equity-accounted investees principally because these loans are in substance long-term source of capital extended to an associated company and the settlement of the amount is neither planned nor likely to occur in the foreseeable future. The revised presentation does not result in a change in the Group's non-current assets.
- (9) The decrease in loans to subsidiaries was due to repayment of loans by subsidiaries.
- (10) The increase in loans to equity-accounted investees was due to additional loans extended to ACLSB.
- (11) The decrease in trade and other receivables of the Group was due mainly to the refund of the deposit in respect of the ceased investment in Bintan.
- (12) The increase in fixed deposits was due to the new placements of fixed deposits, hence there was a decrease in the cash and bank balances.
- (13) The increase in provisions was due mainly to additional provision for unutilised annual leave.
- (14) The increase in non-current borrowings of the Group was due to the new hire purchase financing taken up by the Malaysian subsidiary in June. The decrease in current borrowings was due to repayment of short term borrowings in 3Q 2018.
- (15) The decrease in tax payable was due mainly to payments made and reversal of over provision of tax in prior years, partially offset by provision of income tax for the period.

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

Amount repayable in one year or less, or on demand

As at 30-Sep-18	
Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>
80	-

As at 31-Dec-17	
Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>
142	-

Amount repayable after one year

As at 30-Sep-18	
Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>
342	-

As at 31-Dec-17	
Secured	Unsecured
<u>S\$'000</u>	<u>S\$'000</u>
-	-

**1(b)(ii) Details of collaterals**

The Group's borrowing facilities are secured by

- i) 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; and
- ii) plant and equipment under finance lease.

**Statement of cash flows**

	Group		Group	
	3Q 2018 S\$'000	3Q 2017 S\$'000	30-Sep-18 S\$'000	30-Sep-17 S\$'000
<b>Cash flows from operating activities</b>				
Profit before tax	1,316	2,392	2,662	4,911
<i>Adjustments for:</i>				
Depreciation and amortisation	1,203	1,091	3,675	2,929
(Gain)/Loss on disposal of property, plant and equipment, net	(1)	-	2	-
Property, plant and equipment written off	14	11	223	56
Share of results of equity-accounted investees	(40)	116	243	152
Interest expense	7	3	14	5
Deemed finance costs	15	14	43	14
Interest income	(221)	(118)	(505)	(430)
<b>Operating cash flows before movements in working capital</b>	<b>2,293</b>	<b>3,509</b>	<b>6,357</b>	<b>7,637</b>
<i>Changes in working capital:</i>				
Inventories	229	(190)	400	(44)
Trade and other receivables	(909)	(1,336)	(493)	(2,139)
Trade and other payables	1,242	1,491	(934)	853
Provisions	60	319	216	321
Currency translation differences	212	(17)	187	27
<b>Cash from operations</b>	<b>3,127</b>	<b>3,776</b>	<b>5,733</b>	<b>6,655</b>
Income tax paid	(224)	(341)	(1,056)	(929)
<b>Net cash generated from operating activities</b>	<b>2,903</b>	<b>3,435</b>	<b>4,677</b>	<b>5,726</b>
<b>Cash flows from investing activities</b>				
Interest received	221	118	505	430
Purchase of property, plant and equipment	(605)	(1,283)	(1,476)	(3,086)
Proceeds from disposal of property, plant and equipment	6	-	7	-
Acquisition of a subsidiary, net of cash acquired	-	(10,534)	-	(10,534)
Deposit refunded for ceased project	-	-	4,050	-
Deposit paid for new project	(274)	-	(274)	-
Investment in equity-accounted investees	(331)	-	(331)	(365)
Loans to equity-accounted investees	(45)	(2,022)	(795)	(8,966)
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,028)</b>	<b>(13,721)</b>	<b>1,686</b>	<b>(22,521)</b>
<b>Cash flows from financing activities</b>				
Interest expense paid	(7)	(3)	(14)	(5)
(Repayment of)/proceeds from borrowings	(235)	38	281	(8)
Funds placed in non-liquid deposits	(2)	(2)	(2)	(8)
Dividend paid to shareholders	(2,010)	(2,010)	(5,025)	(5,025)
<b>Net cash used in financing activities</b>	<b>(2,254)</b>	<b>(1,977)</b>	<b>(4,760)</b>	<b>(5,046)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(379)</b>	<b>(12,263)</b>	<b>1,603</b>	<b>(21,841)</b>
Cash and cash equivalents at beginning of financial period	58,638	71,671	56,487	81,664
Effect of exchange rate fluctuations on cash and cash equivalents	(81)	(90)	88	(505)
<b>Cash and cash equivalents at end of financial period</b>	<b>58,178</b>	<b>59,318</b>	<b>58,178</b>	<b>59,318</b>
<b>Cash and cash equivalents comprise:</b>				
Fixed deposits	42,104	31,183	42,104	31,183
Cash and bank balances	16,200	28,256	16,200	28,256
	58,304	59,439	58,304	59,439
Less: funds placed in non-liquid deposits	(126)	(121)	(126)	(121)
	<b>58,178</b>	<b>59,318</b>	<b>58,178</b>	<b>59,318</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 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
<b>Balance at 1 January 2018</b>	<b>101,453</b>	<b>98,490</b>	<b>43,299</b>	<b>(2,211)</b>	<b>57,402</b>	<b>2,963</b>
<b>Profit for the period</b>	<b>2,148</b>	<b>1,718</b>	-	-	<b>1,718</b>	<b>430</b>
<i>Other comprehensive income:</i>						
Currency translation differences	318	316	-	316	-	2
Other comprehensive income for the period, net of tax	318	316	-	316	-	2
<b>Total comprehensive income for the period</b>	<b>2,466</b>	<b>2,034</b>	-	<b>316</b>	<b>1,718</b>	<b>432</b>
<b>Distributions to owners of the Company</b>						
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2017	(3,015)	(3,015)	-	-	(3,015)	-
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ending 31 December 2018	(2,010)	(2,010)	-	-	(2,010)	-
Total distributions to owners of the Company	(5,025)	(5,025)	-	-	(5,025)	-
<b>Balance at 30 September 2018</b>	<b>98,894</b>	<b>95,499</b>	<b>43,299</b>	<b>(1,895)</b>	<b>54,095</b>	<b>3,395</b>
<b>Balance at 1 January 2017</b>	100,035	99,544	43,299	(82)	56,327	491
Profit for the period	4,105	3,734	-	-	3,734	371
<i>Other comprehensive loss:</i>						
Currency translation differences	(500)	(500)	-	(500)	-	-
Other comprehensive loss for the period, net of tax	(500)	(500)	-	(500)	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>3,605</b>	<b>3,234</b>	-	<b>(500)</b>	<b>3,734</b>	<b>371</b>
<b>Distributions to owners of the Company</b>						
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2016	(3,015)	(3,015)	-	-	(3,015)	-
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ended 31 December 2017	(2,010)	(2,010)	-	-	(2,010)	-
Capitalisation of accumulated profits	-	-	-	128	(128)	-
Total distributions to owners of the Company	(5,025)	(5,025)	-	128	(5,153)	-
<b>Changes in ownership interests in subsidiary</b>						
Acquisition of a subsidiary	25	(1,900)	-	(1,900)	-	1,925
<b>Total transactions with owners of the Company</b>	<b>(5,000)</b>	<b>(6,925)</b>	-	<b>(1,772)</b>	<b>(5,153)</b>	<b>1,925</b>
<b>Balance at 30 September 2017</b>	<b>98,640</b>	<b>95,853</b>	<b>43,299</b>	<b>(2,354)</b>	<b>54,908</b>	<b>2,787</b>

1(d)(i) Statement of changes in equity (cont'd)

Company	Total Equity S\$'000	Share Capital S\$'000	Accumulated Profits S\$'000
<b>Balance at 1 January 2018</b>	88,302	43,299	45,003
Net loss and total comprehensive loss for the period	(305)	-	(305)
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2017	(3,015)	-	(3,015)
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ending 31 December 2018	(2,010)	-	(2,010)
<b>Balance at 30 September 2018</b>	<b>82,972</b>	<b>43,299</b>	<b>39,673</b>
<b>Balance at 1 January 2017</b>	87,575	43,299	44,276
Net profit and total comprehensive income for the period	1,746	-	1,746
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2016	(3,015)	-	(3,015)
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ended 31 December 2017	(2,010)	-	(2,010)
<b>Balance at 30 September 2017</b>	<b>84,296</b>	<b>43,299</b>	<b>40,997</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 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 the end of the corresponding period of the immediately preceding financial year.

There were no movements in the share capital of the Company from 30 June 2018 to 30 September 2018.

There were no outstanding convertibles instruments which may be converted to shares as at 30 September 2018 and 30 September 2017.

The company did not hold any treasury shares and no subsidiary holdings as at 30 September 2018 and 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.

	30-Sep-18 '000	31-Dec-17 '000
Total number of issued shares excluding treasury shares	200,996	200,996

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.

Not applicable.

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.

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.

Singapore-incorporated companies listed on the Singapore Exchange are required to apply a new financial reporting framework identical to the International Financial Reporting Standards known as Singapore Financial Reporting Standards (International) ("SFRS(I)", for annual periods beginning on or after 1 January 2018. The Group has adopted SFRS(I) on 1 January 2018 and has prepared its first set of financial information under SFRS(I) for the nine months ended 30 September 2018.

Other than the adoption of the new framework and the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect from the current financial year, 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 2017. The adoption of the new financial reporting framework, new SFRS(I)s, amendments and interpretations of SFRS(I)s has no material impact on the financial performance and financial position of the Group.

- 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			
3Q 2018	3Q 2017	30-Sep-18	30-Sep-17
cents	cents	cents	cents
<b>0.49</b>	0.86	<b>0.85</b>	1.86
<b>0.49</b>	0.86	<b>0.85</b>	1.86

- 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	
30-Sep-18	31-Dec-17	30-Sep-18	31-Dec-17
<b>47.5</b>	49.0	<b>41.3</b>	43.9

- 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.

3Q 2018 vs 3Q 2017

Group revenue for 3Q 2018 was marginally lower at approximately \$32 million when compared to \$32.6 million in 3Q 2017.

Group profit before tax for 3Q 2018 declined 45% from \$2.4 million in 3Q 2017 to \$1.3 million. The weaker performance of the F&B operation was mainly attributable to the challenging operating conditions in the food retail markets due to keen competition and increased operating costs.

Group profit after tax for 3Q 2018 declined 43.7% from approximately \$2.0 million in 3Q 2017 to \$1.1 million; after deducting the share of profit attributable to non-controlling interests, the Group recorded profit attributable to owners of the Company of \$979,000 as compared to \$1.7 million in 3Q 2017.

YTD September 2018 vs YTD September 2017

Group revenue for the 9 months ended 30 September 2018 ("YTD Sep 18") rose 9.4% from \$84.3 million in the same period last year ("YTD Sep 17") to \$92.2 million, due mainly to the contribution from the new F&B business acquired in July 2017. Gross profit increased 5.5% to \$38.4 million as compared to \$36.4 million in YTD Sep 2017. The increases in selling, distribution and outlet expenses and administrative expenses were mainly due to the inclusion of the new F&B business.

Group profit before tax for YTD Sep 2018 declined 45.8% from \$4.9 million in YTD Sep 2017 to approximately \$2.7 million, primarily attributed to weaker performance of the F&B operation. The Group's profitability was further affected by the share of losses from its equity-accounted investees, one-off expenses relating to the ceased investment and write-off of plant and equipment arising from upgrading of outlets.

Group profit after tax for YTD Sep 2018 declined 47.7% from \$4.1 million in YTD Sep 2017 to \$2.1 million; after deducting the share of profit attributable to non-controlling interests, the Group recorded a profit attributable to owners of the Company of \$1.7 million as compared to \$3.7 million in YTD Sep 2017.

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

The Group generated operating cash flow of \$2.9 million in 3Q 2018. Net cash used in investing activities of \$1.0 million was mainly attributed to the purchase of plant and equipment of \$0.6 million, deposit payment of \$0.3 million for new project and subscription of new shares of \$0.3 million in ACLSB. Net cash used in financing activities of approximately \$2.3 million was mainly for the payment of interim dividend to shareholders of \$2.0 million and repayment of borrowings of \$0.2 million. As a result of the above, the cash and cash equivalents of the Group were reduced by \$0.4 million in 3Q 2018.

For YTD Sep 2018, the Group generated operating cash flow of approximately \$4.7 million. Net cash generated from investing activities of approximately \$1.7 million was mainly attributed to the refund of deposit of \$4.0 million in respect of the ceased investment in Bintan, partially offset by cash used to purchase plant and equipment of \$1.5 million, deposit paid for new project, subscription of new shares and additional loans to ACLSB. Net cash used in financing activities of approximately \$4.8 million was mainly attributed to the dividend payments to shareholders. Overall, the cash and cash equivalents of the Group increased by \$1.6 million, ending the period with cash and cash equivalents of approximately \$58.2 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 2Q 2018 results announcement made on 13 August 2018.
- 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 operating environment of the F&B industry is expected to remain challenging as it continues to face headwinds with intense competition and tight manpower supply. These challenges together with increased operating costs will continue to exert pressure on the profit margin. The Group will continue to review our various businesses, streamline the operations, explore new product offerings and remain focused on cost management.  
On the property business, the Group had recently announced the proposed acquisition of an effective 10.2% stake in a property development project in Kuala Lumpur, Malaysia and the proposed acquisition of a third land plot by its joint venture company ACLSB. The Group will continue to pursue investment opportunities in the region to develop its 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 third quarter ended 30 September 2018 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 third quarter and nine months ended 30 September 2018 to be false or misleading in any material aspects.  
  
On behalf of the Board of Directors
- Chua Tiang Choon, Keith  
Executive Chairman  
  
Singapore  
14 November 2018
- Ang Yee Lim  
Managing Director
- 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  
14 November 2018