



AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

Unaudited Third Quarter Financial Statements and Dividend Announcement for the Period Ended 30 September 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q3 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding period.

Consolidated Statement of Comprehensive Income

	Note	GROUP					
		3rd Quarter Ended 30 September			Period Ended 30 September		
		2015	2014	Change	2015	2014	Change
		S\$'000	S\$'000	+/(-)%	S\$'000	S\$'000	+/(-)%
Revenue		104,878	105,548	(0.6)	324,919	313,381	3.7
Cost of revenue		(59,859)	(61,046)	(1.9)	(186,353)	(180,889)	3.0
Gross profit		45,019	44,502	1.2	138,566	132,492	4.6
Other revenue		1,235	757	63.1	4,051	2,522	60.6
Selling and marketing expenses		(18,797)	(20,113)	(6.5)	(58,649)	(58,571)	0.1
General and administration expenses		(8,294)	(7,290)	13.8	(24,123)	(23,228)	3.9
Other operating expenses		(17,678)	(17,572)	0.6	(55,682)	(52,356)	6.4
Investment related activities		62	69	(10.1)	(327)	1,608	n.m.
Finance costs		(55)	(86)	(36.0)	(247)	(276)	(10.5)
Exceptional items #		(23,277)	-	100.0	(23,277)	-	100.0
Share of results of an associated company		-	(3)	(100.0)	-	(3)	(100.0)
Share of results of a joint venture company		225	189	19.0	662	433	52.9
(Loss)/profit before taxation	1	(21,560)	453	n.m.	(19,026)	2,621	n.m.
Income tax expense	2	(568)	(423)	34.3	(2,649)	(1,110)	>100
(Loss)/profit for the financial period, net of taxation		(22,128)	30	n.m.	(21,675)	1,511	n.m.
Other comprehensive (expense)/income:							
Foreign currency translation							
- Reclassification adjustment for gain on disposal of a foreign operation		-	-	-	-	(354)	(100.0)
- Losses/(gains) arising during the year		(3,377)	133	n.m.	(5,745)	540	n.m.
Other comprehensive (expense)/income for the financial period, net of taxation		(3,377)	133	n.m.	(5,745)	186	n.m.
Total comprehensive (expense)/income for the financial period		(25,505)	163	n.m.	(27,420)	1,697	n.m.
(Loss)/profit attributable to:							
Owners of the Company		(22,137)	32	n.m.	(21,680)	1,486	n.m.
Non-controlling interests		9	(2)	n.m.	5	25	(80.0)
		(22,128)	30	n.m.	(21,675)	1,511	n.m.
Total comprehensive (expense)/income attributable to:							
Owners of the Company		(25,524)	163	n.m.	(27,441)	1,669	n.m.
Non-controlling interests		19	-	100.0	21	28	(25.0)
		(25,505)	163	n.m.	(27,420)	1,697	n.m.

n.m. = not meaningful

Please refer to para 8, subheader –“ Loss before taxation” for details of Exceptional Items.

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1(a)(ii) Additional information on the Group Statement of Comprehensive Income

	GROUP					
	3rd Quarter Ended 30 September			Period Ended 30 September		
	2015	2014	Change	2015	2014	Change
	S\$'000	S\$'000	+/(-)%	S\$'000	S\$'000	+/(-)%
1 (Loss)/profit before taxation						
(Loss)/profit before taxation included the following for the financial period ended 30 September:						
Amortisation of intangible assets	(700)	(700)	-	(2,100)	(2,100)	-
Impairment loss on intangible assets	(20,000)	-	100.0	(20,000)	-	100.0
Allowances for impairment on trade debtors	(153)	(46)	>100	(21)	(155)	(86.5)
Depreciation of property, plant and equipment	(3,441)	(3,317)	3.7	(10,600)	(9,676)	9.5
Dividend income	-	139	(100.0)	212	139	52.5
Fair value changes of financial instruments :						
- Gain/(loss) on investment funds at fair value through profit or loss	17	53	(67.9)	(390)	(123)	>100
Foreign exchange (loss)/gain	(457)	577	n.m.	(746)	312	n.m.
Allowance for impairment on investment in an associated company	(273)	-	100.0	(273)	-	100.0
Interest income	7	4	75.0	28	17	64.7
Gain on disposal of interest in subsidiary companies	-	-	-	-	1,734	(100.0)
Net (loss)/gain on disposal of property, plant and equipment	(73)	1	n.m.	(76)	54	n.m.
Property, plant and equipment written off	(1,095)	17	n.m.	(2,006)	(151)	>100
Write back for impairment loss of property, plant and equipment	-	163	(100.0)	-	255	(100.0)
Stocks written down	(837)	(554)	51.1	(2,217)	(1,725)	28.5
2 Income tax expense						
The charge for income tax expense includes the following:						
(Under)/over provision in respect of prior period	(211)	555	n.m.	(289)	1,715	n.m.

n.m. = not meaningful

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1(b)(i) A balance sheet (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	
	As at 30 September 2015	As at 31 December 2014	As at 30 September 2015	As at 31 December 2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	34,233	40,861	557	234
Intangible assets	54,074	76,590	-	-
Investments in subsidiary companies	-	-	95,322	96,199
Investments in an associated company	-	273	-	-
Investment in a joint venture company	2,664	2,002	-	-
Long-term investments	9,888	10,428	-	-
Other debtors	6,789	6,751	-	-
Prepayments and other recoverables	5,178	4,677	-	-
Deferred tax assets	1,049	1,092	-	-
	<u>113,875</u>	<u>142,674</u>	<u>95,879</u>	<u>96,433</u>
Current assets				
Stocks	45,091	48,875	-	-
Trade debtors	65,579	64,137	-	-
Other debtors	4,843	9,249	194	292
Prepayments and other recoverables	4,375	4,428	163	18
Amounts due from subsidiary companies	-	-	222,875	170,116
Fixed deposits (restricted)	3,233	4,004	-	-
Cash and cash equivalents	37,323	46,326	8,447	14,857
	<u>160,444</u>	<u>177,019</u>	<u>231,679</u>	<u>185,283</u>
Total assets	<u>274,319</u>	<u>319,693</u>	<u>327,558</u>	<u>281,716</u>
EQUITY AND LIABILITIES				
Current liabilities				
Trade creditors	(33,839)	(39,888)	-	-
Other creditors and accruals	(42,552)	(46,225)	(1,515)	(2,262)
Deferred income	(2,537)	(1,943)	-	-
Provisions	(681)	(887)	-	-
Amounts due to subsidiary companies	-	-	(142,437)	(183,258)
Loans and borrowings	(3,046)	(9,391)	(1,000)	(4,000)
Tax payable	(3,829)	(2,876)	-	-
	<u>(86,484)</u>	<u>(101,210)</u>	<u>(144,952)</u>	<u>(189,520)</u>
Net current assets/(liabilities)	73,960	75,809	86,727	(4,237)
Non-current liabilities				
Deferred income	(831)	(1,047)	-	-
Provisions	(4,760)	(4,631)	(100)	(100)
Loans and borrowings	(353)	(415)	-	-
Deferred tax liabilities	(3,185)	(3,640)	(192)	(192)
	<u>(9,129)</u>	<u>(9,733)</u>	<u>(292)</u>	<u>(292)</u>
Total liabilities	<u>(95,613)</u>	<u>(110,943)</u>	<u>(145,244)</u>	<u>(189,812)</u>
Net assets	<u>178,706</u>	<u>208,750</u>	<u>182,314</u>	<u>91,904</u>

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Statements of Financial Position (continued)

	GROUP		COMPANY	
	As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000	As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000
EQUITY AND LIABILITIES (CONT'D)				
Equity attributable to owners of the Company				
Share capital	64,461	64,461	64,461	64,461
Retained earnings	121,062	145,255	109,378	18,968
Other reserves	(7,493)	(1,734)	-	-
Merger reserve	-	-	8,475	8,475
	178,030	207,982	182,314	91,904
Non-controlling interests	676	768	-	-
Total equity	178,706	208,750	182,314	91,904
Total equity and liabilities	274,319	319,693	327,558	281,716

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

	Note	GROUP		COMPANY	
		As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000	As at 30 September 2015 S\$'000	As at 31 December 2014 S\$'000
Repayable within one year (unsecured)		2,962	9,268	1,000	4,000
Repayable within one year (secured)	(i)	84	123	-	-
Repayable after one year (secured)	(i)	353	415	-	-
		3,399	9,806	1,000	4,000

Note (i)

As at 30 September 2015, the finance lease liability repayable within one year and after one year of \$84,000 (31 December 2014: \$123,000) and \$353,000 (31 December 2014: \$415,000) respectively was secured by the related leased assets.

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

Consolidated Statement of Cash Flows

	GROUP			
	3rd Quarter Ended 30 September		Period Ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Cash flows from operating activities				
(Loss)/profit before taxation	(21,560)	453	(19,026)	2,621
Adjustments for:				
Dividend income	-	(139)	(212)	(139)
Interest income	(7)	(4)	(28)	(17)
Interest expense	55	86	247	276
Share of results of associated companies	-	3	-	3
Share of results of a joint venture company	(225)	(189)	(662)	(433)
Allowances of impairment on trade debtors	153	46	21	155
Stocks written down	837	554	2,217	1,725
Amortisation of intangible assets	700	700	2,100	2,100
Impairment loss on intangible assets	20,000	-	20,000	-
Depreciation of property, plant and equipment	3,441	3,317	10,600	9,676
Fair value changes of financial instruments:				
- (Gain)/loss on investment funds at fair value through profit or loss	(17)	(53)	390	123
Allowances for impairment of investment in an associated company	273	-	273	-
Property, plant and equipment written off	1,095	(17)	2,006	151
Write-back of provision for reinstatement cost	-	(163)	-	(255)
Net loss/(gain) on disposal of property, plant and equipment	73	(1)	76	(54)
Gain on disposal of interests in subsidiary companies	-	-	-	(1,734)
Translation differences	(3,459)	(337)	(5,457)	437
Operating cash flows before working capital changes	1,359	4,256	12,545	14,635
<u>Decrease/(increase) in assets:</u>				
Stocks	3,276	(1,089)	1,567	(9,024)
Trade and other debtors	7,862	(153)	1,931	(7,695)
<u>Increase/(decrease) in liabilities:</u>				
Trade and other creditors	3,817	(2,264)	(9,751)	(1,905)
Net cash generated from/(used in) operations	16,314	750	6,292	(3,989)
Tax paid	(421)	(897)	(1,859)	(1,595)
Interest paid	(55)	(86)	(247)	(276)
Interest received	5	4	25	17
Net cash flows generated from/(used in) operating activities	15,843	(229)	4,211	(5,843)

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Consolidated Statement of Cash Flows (continued)

	GROUP			
	3rd Quarter Ended 30 September		Period Ended 30 September	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Cash flows from investing activities				
Disposal of interests of subsidiary companies	-	-	-	1,255
Dividend income received	-	139	212	139
Dividend income received from a joint venture company	-	835	-	835
Proceeds from disposal of property, plant and equipment	12	18	106	73
Proceeds from return of capital from investment funds	133	32	212	257
Purchase of property, plant and equipment	(2,225)	(2,985)	(6,018)	(10,598)
Purchase of investment funds	-	(400)	-	(400)
Net cash flows used in investing activities	(2,080)	(2,361)	(5,488)	(8,439)
Cash flows from financing activities				
Acquisition of non-controlling interests	-	(37)	(2)	(118)
Repayment of obligations under finance leases	(30)	(36)	(96)	(99)
Repayment of bank borrowings	(3,661)	(5,234)	(17,069)	(18,216)
Proceeds from bank borrowings	2,685	4,645	11,486	16,673
Dividends paid to minority shareholders of a subsidiary company	-	-	(109)	-
(Increase)/decrease in fixed deposits pledged with the banks	(130)	(119)	587	(119)
Dividend on ordinary shares	-	-	(2,513)	(2,513)
Net cash flows used in financing activities	(1,136)	(781)	(7,716)	(4,392)
Net decrease in cash and cash equivalents	12,627	(3,371)	(8,993)	(18,674)
Cash and cash equivalents at beginning of period	24,526	40,390	46,326	55,867
Effect of exchange rate changes on cash and cash equivalent held in foreign currencies	170	488	(10)	314
Cash and cash equivalents at end of financial period (Note 1)	37,323	37,507	37,323	37,507

Note 1

Analysis of balances of cash and cash equivalents as shown on the balance sheets:

	GROUP	
	Period Ended 30 September	
	2015 S\$'000	2014 S\$'000
Fixed deposits (restricted)	3,233	3,990
Fixed deposits (current)	11	4,597
Cash and bank balances	37,312	32,910
	40,556	41,497
Fixed deposits pledged with the bank [Note (a)]	(3,233)	(3,990)
	37,323	37,507

Note (a)

This relates to:

- (i) S\$2.0 million (2014: S\$2.5 million) was pledged to banks as security for banker's guarantees issued in lieu of rental deposits;
- (ii) S\$0.9 million (2014: S\$1.1 million) banker's guarantee for issuance of utility and rental deposits; and
- (iii) S\$0.3 million (2014: S\$0.4 million) was pledged to bank as security for overdraft facility.

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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 period.

Statements of changes in equity

Group

	Attributable to owners of the Company								
	Share capital	Retained earnings	Other reserves, total	Foreign currency translation reserve	Discount on acquisition of non-controlling interests	Gain on purchase of treasury shares by a subsidiary company	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2015									
Balance at 1 July 2015	64,461	143,199	(4,106)	(10,741)	6,117	518	203,554	657	204,211
(Loss)/profit for the financial period	-	(22,137)	-	-	-	-	(22,137)	9	(22,128)
<u>Other comprehensive (expense)/income</u>									
Foreign currency translation	-	-	(3,387)	(3,387)	-	-	(3,387)	10	(3,377)
Other comprehensive (expense)/income for the financial period, net of tax	-	-	(3,387)	(3,387)	-	-	(3,387)	10	(3,377)
Total comprehensive (expense)/income for the financial period	-	(22,137)	(3,387)	(3,387)	-	-	(25,524)	19	(25,505)
Balance at 30 September 2015	64,461	121,062	(7,493)	(14,128)	6,117	518	178,030	676	178,706
2014									
Balance at 1 July 2014	64,461	146,478	(684)	(7,305)	6,103	518	210,255	887	211,142
Profit/(loss) for the financial period	-	32	-	-	-	-	32	(2)	30
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	131	131	-	-	131	2	133
Other comprehensive income for the financial period, net of tax	-	-	131	131	-	-	131	2	133
Total comprehensive income for the financial period	-	32	131	131	-	-	163	-	163
<u>Changes in ownership interest in subsidiaries</u>									
Acquisition of non-controlling interest	-	-	12	-	12	-	12	(49)	(37)
Total changes in ownership interest in subsidiaries	-	-	12	-	12	-	12	(49)	(37)
Total transactions with owners in their capital as owners	-	-	12	-	12	-	12	(49)	(37)
Balance at 30 September 2014	64,461	146,510	(541)	(7,174)	6,115	518	210,430	838	211,268

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Statements of changes in equity (continued)

Company

	Attributable to owners of the Company			
	Share capital S\$'000	Retained earnings* S\$'000	Merger reserve S\$'000	Total equity S\$'000
2015				
Balance at 1 July 2015	64,461	41,204	8,475	114,140
Profit for the financial period	-	68,174	-	68,174
Total comprehensive expenses for the financial period	-	68,174	-	68,174
Balance at 30 September 2015	64,461	109,378	8,475	182,314
2014				
Balance at 1 July 2014	64,461	43,753	8,475	116,689
Loss for the financial period	-	(750)	-	(750)
Total comprehensive expenses for the financial period	-	(750)	-	(750)
Balance at 30 September 2014	64,461	43,003	8,475	115,939

* Retained earnings included a non-distributable amount of \$32,617,000 (2014: \$32,617,000) which relates to the gain resulting from an internal restructuring of certain subsidiary companies in 1999.

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- 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 of the issuer, if any, against the total number of issued shares held as 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 changes in the Company's issued share capital since the end of the previous period reported on.

- 1(d)(iii) Total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding financial year.**

There are no treasury shares issued by the Company. Total number of issued shares as at 30 September 2015 and 31 December 2014 was 125,667,324.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at 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 in the announcement have not been audited or reviewed by the auditors.

- 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 accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements as at 31 December 2014.

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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.

Not applicable.

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			
	3rd Quarter Ended 30		Period Ended 30 September	
	2015	2014	2015	2014
	cents	cents	cents	cents
(i) Basic EPS based on the weighted average number of ordinary shares on issue	(17.62)	0.03	(17.25)	1.18
(ii) Diluted EPS based on weighted average number of ordinary shares	(17.62)	0.03	(17.25)	1.18

Note:

Basic and diluted earnings per share were computed on the basis of the weighted average number of ordinary shares issued, which was 125,667,324 (31 December 2014: 125,667,324) during the financial period. There were no outstanding share options during the current reporting period.

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

	GROUP		Company	
	As at 30 September 2015	As at 31 December 2014	As at 30 September 2015	As at 31 December 2014
	\$	\$	\$	\$
Net asset value per ordinary share	1.42	1.66	1.45	0.73

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8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Income Statement

Revenue

The breakdown of revenue by business segments is shown in the table below.

	Note	3rd Quarter Ended 30 September				Financial Year Ended 30 September			
		2015	2014	Variance		2015	2014	Variance	
		\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
<u>Food Group</u>									
Wholesale & distribution	(i)	57,455	59,038	(1,583)	(2.7)	181,985	177,134	4,851	2.7
Manufacturing	(ii)	12,701	11,947	754	6.3	37,803	34,826	2,977	8.5
<u>Food Retail Group</u>									
Edmonton Group	(iii)	20,264	19,450	814	4.2	59,551	55,820	3,731	6.7
Food Junction Group	(iv)	14,458	15,004	(546)	(3.6)	45,366	45,454	(88)	(0.2)
Other investments		-	109	(109)	(100.0)	214	147	67	45.6
		104,878	105,548	(670)	(0.6)	324,919	313,381	11,538	3.7

In Q3 2015, the Group's total revenue was S\$104.9 million, S\$0.7 million lower than same period last year. The analysis on the sales performance by business segments is as follows:

- (i) Singapore's wholesale & distribution business registered higher revenue of S\$2.6 million, largely contributed by the induction of new agencies and higher overall sales of existing house brands. The growth of Malaysia's wholesale & distribution business was curbed by the weakening of the Malaysian Ringgit against relevant international currencies, including Singapore, which resulted in lower revenue being reported at the Group level. The impact of such unfavourable foreign exchange movements contributed to S\$3.4 million out of the total S\$4.2 million decrease in revenue for Malaysia's business as compared to the same financial quarter last year.
- (ii) Singapore's manufacturing segment reported an overall rise in revenue of S\$0.8 million in Q3 2015 as compared to the same financial quarter last year, driven by the introduction of new products into the market.
- (iii) Higher revenue reported by the Edmonton Group was due to the improvement in the performance of outlets, and the Edmonton Group was able to achieve such higher revenue despite its closure of under-performing outlets.
- (iv) The Food Junction Group improved in overall performance despite the reduction in revenue which was attributed to the closure of under-performing restaurants and outlets during the quarter under review.

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Review of Income Statement (cont'd)

Gross profit

Despite lower revenue registered, the Group achieved a higher gross profit of \$45.0 million in Q3 2015, which represents an improvement of S\$0.5 million as compared to Q3 2014. The gross profit improvement is mainly attributed to better costs management and an increase in efficiency and productivity. In percentage terms, gross profit margin for Q3 2015 improved by nearly 1% point to 42.9% as compared to the same financial quarter last year.

Loss before taxation

The Group reported a loss before taxation of nearly S\$21.6 million in Q3 2015 as opposed to a profit before taxation of S\$0.5 million in the same period last year. The unfavourable variance of S\$22.1 million was largely due to exceptional items aggregating to S\$23.3 million undertaken in Q3 2015.

Excluding exceptional items of S\$23.3 million, the Group achieved an operating profit of S\$2.2 million, an improvement of profitability of S\$1.2 million as compared to the same financial quarter last year, attributed mainly to:

- (i) The manufacturing segment riding on the sales of newly introduced products in the market, achieved higher operating profits of S\$2.4 million in Q3 2015.
- (ii) The Food Junction Group turned around from an operating loss position of S\$0.5 million in Q3 2014 to achieve an operating profit of S\$0.6 million in Q3 2015. The improvement of S\$1.1 million was contributed by the improved performance of self-operated stalls and the discontinuation of non-performing restaurants.
- (iii) Edmontor Group reported an operating loss of S\$0.6 million in Q3 2015, S\$0.4 million lower than the corresponding period last year. This was contributed by higher sales, improvements in product margins and streamlining of operations resulting in a reduction in operating costs.
- (iv) Operating expenses of the Group's support services decreased by S\$0.3 million as compared with the corresponding period, largely due to effective cost rationalisation measures.

The wholesale and distribution segment registered lower profits for Q3 2015 as compared to the same financial quarter last year. This was mainly attributed to weaker sales and higher operating costs in Singapore, and the impact of a weaker Ringgit in Malaysia. Notwithstanding the weaker Malaysian Ringgit, the operating profit from Malaysia's business was comparable with the corresponding period last year.

In the quarter under review, the Group continued its businesses and operations review exercise to rationalise and streamline its non-performing businesses and investments with the objective of building sustainable growth in revenue and profits. This has resulted in the following exceptional items being undertaken:

	S\$'000
Impairment loss on intangible assets	20,000
Impairment on investment in an associated company	273
Provision of costs attributable to the closure of non-performing retail outlets	3,004
	23,277

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

Review of Financial Position

As at 30 September 2015, the Group's total equity stood at S\$178.7 million. This was S\$30.0 million lower than the position as at 31 December 2014. The decrease was contributed largely by the year-to-date September 2015 loss of S\$21.7 million, dividend payment of S\$2.5 million and foreign currency translation loss of S\$5.8 million.

There are no other significant changes to the Statement of Financial Position except for the following:

- (i) Lower property, plant and equipment due primarily to depreciation, disposal and write-off of assets, offset by the purchase of new assets;
- (ii) Lower stocks due to higher sales during the last festive season;
- (iii) Lower other debtors due to refundable deposits received from the closure of restaurants;
- (iv) Lower trade creditors mainly due to lower purchases and settlement of suppliers' invoices upon due dates;
- (v) Lower other creditors and accruals due mainly to payment made for food courts' renovation and capital expenditure; and
- (vi) Lower loans and borrowings due mainly to loan repayment during the financial period.

Cash Flow Review

The Group's cash and cash equivalents decreased by S\$9.0 million from S\$46.3 million as at 31 December 2014 to S\$37.3 million as at 30 September 2015. The net cash decrease was mainly due to cash used in paring down of revolving credit, dividend payment and higher capital expenditure, offset by cash generated from operating activities.

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

No forecast was previously disclosed on the Group's results for Q3 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 food retail and distribution sectors to remain challenging. The implementation of Goods and Services Tax and the weakening of Ringgit in Malaysia have also negatively impacted the Group's results.

The Group is therefore moving forward cautiously through further consolidation, streamlining of its operations and continuing to improve its profitability through more active marketing efforts and promotions, expanding sales channels and product offerings as well as controlling operating costs. The Group will also continue to grow its marketing & distribution and manufacturing segments.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

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) Date payable

None

(d) Books closure date

Not applicable.

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for Interested Persons Transactions ("IPT"), 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.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
OUE Limited	S\$171,590	S\$171,590

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

14. Confirmation Pursuant to Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results of Auric Pacific Group Limited for the third quarter ended 30 September 2015, to be false or misleading in any material aspect.

15. Confirmation Pursuant to Rule 720(1) of the Listing Manual

Auric Pacific Group Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

BY ORDER OF THE BOARD

Tan T'eng Ta' Benedict
Company Secretary
11 November 2015