



AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

PERFORMANCE UPDATE FOR AURIC PACIFIC GROUP LIMITED

The Board of Directors ("**Board**" or "**Directors**") of Auric Pacific Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement issued on 7 February 2017 by the Company in relation to a voluntary conditional general cash offer to be made by RHB Securities Singapore Pte. Ltd., for and on behalf of Silver Creek Capital Pte. Ltd. (the "**Offeror**"), for all the shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it (the "**Offer**").

In order to enable shareholders of the Company (the "**Shareholders**") to make an informed decision with respect to the Offer, the Board wishes to provide an update as follows on the financial performance of the Group (the "**Performance Update**" or "**Announcement**").

Performance Update

The Company wishes to update Shareholders that it is currently exploring a possible impairment of intangible assets comprising customer relationships arising from the acquisition of the Food Junction business and certain leasehold improvement and equipment in its Delifrance factory in its full year results for the financial year ended 31 December 2016. The unaudited carrying amounts as of 31 December 2016 of customer relationships arising from the acquisition of the Food Junction business and certain leasehold improvement and equipment in its Delifrance factory under review amount to \$2.4 million and \$2.7 million respectively.

Shareholders should note that this Performance Update is subject to a number of risks and uncertainties that could cause actual events and/or results to differ materially from those disclosed in this Performance Update.

The Singapore Code on Take-overs and Mergers

In accordance with The Singapore Code on Take-overs and Mergers (the "**Code**"), Ernst & Young LLP, the Company's auditor, has performed an agreed upon procedure on the Performance Update, and MS Corporate Finance Pte Ltd, the independent financial adviser ("**IFA**") appointed by the Company in relation to the Offer, has reviewed the Performance Update. The Agreed-Upon Procedures report on the Performance Update dated 7 February 2017 (the "**AUP Report**") issued by Ernst & Young LLP and the review letter dated 7 February 2017 on the Performance Update (the "**Review Letter**") issued by MS Corporate Finance Pte Ltd are attached to this announcement.

Ernst & Young LLP has given and has not withdrawn its consent to the reproduction of its AUP Report in this announcement.

MS Corporate Finance Pte Ltd has given and has not withdrawn its consent to the reproduction of its Review Letter in this announcement.

In accordance with and subject to the Code, the Performance Update, as well as any other profit forecast made before the commencement of the offer period will be repeated in full, in the circular to Shareholders (the “**Offeree Circular**”) containing the advice of the IFA and the recommendation of the Directors who are regarded as independent for the purposes of the Offer (the “**Independent Directors**”).

In the meantime, Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors, as well as the advice of the IFA, as set out in the Offeree Circular to be issued to Shareholders in due course.

Responsibility Statement

The Directors (including any Director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement relating solely to the Company are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

7 February 2017

Report on Factual Findings

To:

The Board of Directors
Auric Pacific Group Limited
50 Collyer Quay
#06-03 OUE Bayfront
Singapore 049321

We have performed the procedure agreed with you below with respect to selected financial information (the "Financial Information") included in the SGX announcement (the "Announcement") on Performance Update for Auric Pacific Group Limited (the "Company"), set forth below. The Announcement is the responsibility of the Company. Our engagement was undertaken in accordance with the Singapore Standard on Related Services SSRS 4400 *Engagements to Perform Agreed-upon Procedures Regarding Financial Information*.

At your request, we have read the Announcement and have performed the agreed upon procedure, which is to agree the Financial Information to the unaudited management accounts of the Company and its subsidiaries and report to you the factual findings resulting from our work.

We report our findings below:

1. With respect to the unaudited carrying amount of Food Junction's customer relationships intangible asset of \$ 2.4 million as of 31 December 2016, we found the amount to be in agreement with the unaudited management accounts.
2. With respect to the unaudited carrying amount of certain leasehold improvement and equipment in the Delifrance factory of \$ 2.7 million as of 31 December 2016, we found the amount to be in agreement with the unaudited management accounts.

Because the above procedures do not constitute either an audit or a review made in accordance with Singapore Standards on Auditing or Singapore Standards on Review Engagements, we do not express any assurance on the Announcement.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with Singapore Standards on Auditing or Singapore Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the information of the addressee in connection with the purpose set forth in the first paragraph of this report, and without our prior consent, our report is not to be used, circulated, quoted or otherwise referred to for any other purpose or distributed to any other parties, nor is it to be filed with or referred to in whole or in part in any other document. This report relates only to the items specified above and does not extend to any financial statements of the Company.

A handwritten signature in black ink, appearing to read "Ernst & Young LLP", with a stylized flourish at the end.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
7 February 2017

7 February 2017

The Board of Directors
Auric Pacific Group Limited
50 Collyer Quay
#06-03 OUE Bayfront
Singapore 049321

Dear Sirs

VOLUNTARY CONDITIONAL GENERAL CASH OFFER AND THE PERFORMANCE UPDATE

On 7 February 2017, the Board of Directors (“**Board**” or “**Directors**”) of Auric Pacific Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) announced a voluntary conditional general cash offer to be made by RHB Securities Singapore Pte. Ltd., for and on behalf of Silver Creek Capital Pte. Ltd. (the “**Offeror**”), for all the shares in the capital of the Company other than those already owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it.

On 7 February 2017, the Board provided an update on the financial performance of the Group (the “**Performance Update**”).

We have examined and held discussions with the Directors and Management of the Company on the Performance Update. We have also considered the letter by Ernst & Young LLP dated 7 February 2017 addressed to the Board relating to their findings based on agreed upon procedures performed on the Performance Update.

For the purpose of rendering our opinion on the Performance Update, we have relied on and assumed the accuracy and completeness of all financial and other information provided to and/or discussed with us, and we have not verified the accuracy and completeness of such information for the purposes of rendering our opinion in this letter. Save as provided in this letter, we do not express any other opinion on the Performance Update.

Based on the above, we are of the opinion that the Performance Update (for which the Directors are solely responsible) has been made by the Directors after due and careful enquiry.

This letter is provided to the Directors for the sole purpose of complying with Rule 25 of The Singapore Code on Take-overs and Mergers. We do not accept any responsibility to any other person(s) other than the Directors, in respect of, or arising out of, or in connection with this letter.

Yours faithfully

For and on behalf of

MS Corporate Finance Pte. Ltd.



Mick Aw

Director



Bernard Juay

Director