

Third Quarter And Nine Months Financial Statements And Dividend Announcement For The Period Ended 30 September 2015

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 2015 S\$'000	3Q 2014 S\$'000	Change %	30-Sep-15 S\$'000	30-Sep-14 S\$'000	Change %
Revenue	26,250	24,851	5.6	74,969	75,130	(0.2)
Cost of sales	(13,947)	(13,306)	4.8	(41,010)	(40,891)	0.3
Gross profit	12,303	11,545	6.6	33,959	34,239	(0.8)
Other income (Note 1)	434	436	(0.5)	1,690	1,385	22.0
Selling, distribution and outlet expenses	(6,587)	(6,616)	(0.4)	(19,641)	(20,233)	(2.9)
Administrative expenses	(2,997)	(2,978)	0.6	(8,775)	(8,734)	0.5
Other expenses (Note 2)	(349)	(62)	n.m.	(986)	(228)	n.m.
Finance costs (Note 3)	(1)	(1)	-	(3)	(5)	(40.0)
Share of results of equity-accounted investee, net of tax (Note 4)	(12)	-	n.a.	(41)	-	n.a.
Profit before tax	2,791	2,324	20.1	6,203	6,424	(3.4)
Income tax expense (Note 5)	(311)	(408)	(23.8)	(993)	(1,244)	(20.2)
Profit for the period	2,480	1,916	29.4	5,210	5,180	0.6
Other comprehensive income:						
<u>Items that are or may be reclassified subsequently to profit or loss:</u>						
Currency translation differences (Note 12)	(118)	(35)	n.m.	(368)	30	n.m.
Other comprehensive (loss)/income for the period, net of tax	(118)	(35)	n.m.	(368)	30	n.m.
Total comprehensive income for the period	2,362	1,881	25.6	4,842	5,210	(7.1)
Profit/(Loss) attributable to:						
Owners of the Company	2,438	1,988	22.6	5,299	5,455	(2.9)
Non-controlling interests	42	(72)	n.m.	(89)	(275)	(67.6)
Profit for the period	2,480	1,916	29.4	5,210	5,180	0.6
Total comprehensive income/(loss) attributable to:						
Owners of the Company	2,381	1,953	21.9	5,028	5,481	(8.3)
Non-controlling interests	(19)	(72)	(73.6)	(186)	(271)	(31.4)
Total comprehensive income for the period	2,362	1,881	25.6	4,842	5,210	(7.1)

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

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

	Group			Group		
	3Q 2015 S\$'000	3Q 2014 S\$'000	Change %	30-Sep-15 S\$'000	30-Sep-14 S\$'000	Change %
Profit for the period include the following:						
Other income including interest income and foreign exchange gain, net (Note 1)	434	436	(0.5)	1,690	1,385	22.0
Depreciation and amortisation	(792)	(775)	2.2	(2,395)	(2,396)	(0.0)
Foreign exchange loss, net (Note 2)	(251)	-	n.a.	(320)	-	n.a.
Property, plant and equipment written off (Note 2)	(98)	(51)	92.2	(657)	(148)	n.m.
Allowance for inventories obsolescences	-	-	n.a.	(8)	-	n.a.
Loss on disposal of property, plant and equipment, net	-	-	n.a.	(5)	(1)	n.m.
Write-back/(Write-off) for inventories	5	(4)	n.m.	(45)	(50)	(10.0)
Allowances for doubtful non-trade receivables	-	-	n.a.	-	(10)	(100.0)
Over provision for tax of prior years, net	5	14	(64.3)	5	14	(64.3)

Note:

- (1) Other income for the quarter ended 30 September 2015 ("3Q 2015") comprised mainly interest income, rental income and the Special Employment Credit received in September. The increase in other income for the 9 months ended 30 September 2015 ("YTD Sep 2015") was due mainly to the higher Wage Credit received in 1Q 2015.
- (2) The increase in other expenses for 3Q 2015 and YTD Sep 2015 was due mainly to foreign exchange loss and write-off of plant and equipment arising from closure of outlets.
- (3) The lower finance costs for YTD Sep 2015 was due mainly to lower borrowings taken up by the Malaysian subsidiary.
- (4) Share of results of equity-accounted investee relates to the Group's share of the results of its new associated company, Food Glossary Pte Ltd, which commenced operation in October 2014.
- (5) The lower income tax expense for 3Q 2015 and YTD Sep 2015 was due mainly to the higher tax deductions in respect of qualifying expenditure under the Productivity and Innovation Credit (PIC) Scheme.

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

Statements of financial position

	Group		Company	
	30-Sep-15 S\$'000	31-Dec-14 S\$'000	30-Sep-15 S\$'000	31-Dec-14 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment (Note 6)	19,705	20,886	8,656	9,479
Investment properties	3,273	3,392	1,085	1,113
Intangible assets (Note 7)	387	482	115	140
Investments in subsidiaries (Note 8)	-	-	7,426	4,871
Investments in associated companies (Note 9)	16	57	-	-
Available-for-sale financial assets	35	35	35	35
Loans to subsidiaries	-	-	6,839	7,159
Total non-current assets	23,416	24,852	24,156	22,797
Current assets				
Inventories (Note 10)	1,976	2,537	1,539	1,801
Trade and other receivables	6,617	7,024	5,680	5,803
Fixed deposits (Note 11)	47,057	30,673	45,952	29,408
Cash and bank balances (Note 11)	33,489	51,777	18,367	37,566
Total current assets	89,139	92,011	71,538	74,578
Total assets	112,555	116,863	95,694	97,375
EQUITY AND LIABILITIES				
Equity				
Share capital	43,299	43,299	43,299	43,299
Other reserves (Note 12)	(588)	(317)	-	-
Accumulated profits	53,604	53,550	39,845	40,919
Equity attributable to owners of the Company	96,315	96,532	83,144	84,218
Non-controlling interests (Note 13)	272	3,185	-	-
Total equity	96,587	99,717	83,144	84,218
Non-current liability				
Deferred tax liabilities	1,244	1,299	520	520
Total non-current liability	1,244	1,299	520	520
Current liabilities				
Trade and other payables	13,402	13,907	10,985	11,198
Borrowings (Note 14)	-	116	-	-
Tax payable (Note 15)	1,322	1,824	1,045	1,439
Total current liabilities	14,724	15,847	12,030	12,637
Total liabilities	15,968	17,146	12,550	13,157
Total equity and liabilities	112,555	116,863	95,694	97,375

Notes to the Statements of financial position:

Note:

- (6) The reduction in property, plant and equipment was due mainly to the depreciation charge for the period and write-off of plant and equipment, partially offset by additions to plant and equipment.
- (7) The reduction in intangible assets was due mainly to the amortisation charge for the period.
- (8) The increase in investments in subsidiaries was due mainly to the acquisition of the remaining 49% interest in All Best Foods Pte Ltd ("ABF") in June 2015.
- (9) The decrease in investments in associated companies was due to the Group accounting for its share of losses of its associated company in YTD Sep 2015.
- (10) The reduction in inventories was due mainly to the build-up of higher inventories at year end.
- (11) The increase in fixed deposits was due to the placement of additional fixed deposits, hence there was a corresponding decrease in cash and bank balances.
- (12) The reduction in other reserves relates to the exchange differences arising from translation of the Group's foreign subsidiaries' financial statements for consolidation. The translation differences were due mainly to the depreciation of the Malaysian Ringgit against the Singapore Dollar.
- (13) The reduction in non-controlling interests ("NCI") was due mainly to the acquisition of the remaining 49% interest in ABF from the NCI.
- (14) The Group had no borrowings as at 30 September 2015 as they were fully settled by the Malaysian subsidiary.
- (15) The decrease in tax payable was due mainly to payments made in YTD Sep 2015, partially offset by provision for 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-15	
Secured	Unsecured
S\$'000	S\$'000
-	-

As at 31-Dec-14	
Secured	Unsecured
S\$'000	S\$'000
116	-

Amount repayable after one year

As at 30-Sep-15	
Secured	Unsecured
S\$'000	S\$'000
-	-

As at 31-Dec-14	
Secured	Unsecured
S\$'000	S\$'000
-	-

1(b)(ii) Details of collaterals

The Group's borrowings are secured by legal charges over certain properties and pledges of fixed deposits of the Group's Malaysian subsidiary; joint and several corporate guarantees from its holding company (which is a wholly-owned subsidiary of the Company) and the Company.

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

Statement of cash flows

	Group		Group	
	3Q 2015 S\$'000	3Q 2014 S\$'000	30-Sep-15 S\$'000	30-Sep-14 S\$'000
Cash flows from operating activities				
Profit before tax	2,791	2,324	6,203	6,424
<i>Adjustments for:</i>				
Depreciation and amortisation	792	775	2,395	2,396
Loss on disposal of property, plant and equipment, net	-	-	5	1
Property, plant and equipment written off	98	51	657	148
Share of results of equity-accounted investees	12	-	41	-
Unrealised foreign exchange gain	(380)	(87)	(491)	(30)
Interest expense	1	1	3	5
Interest income	(164)	(100)	(421)	(283)
Operating cash flows before movements in working capital	3,150	2,964	8,392	8,661
<i>Changes in working capital:</i>				
Inventories	253	51	561	385
Trade and other receivables	198	190	283	(275)
Trade and other payables	706	309	(536)	(1,947)
Cash from operations	4,307	3,514	8,700	6,824
Income tax paid	(491)	(662)	(1,343)	(1,545)
Net cash generated from operating activities	3,816	2,852	7,357	5,279
Cash flows from investing activities				
Interest received	164	100	421	283
Purchase of property, plant and equipment	(1,079)	(643)	(2,233)	(1,176)
Proceeds from disposal of property, plant and equipment	3	2	24	2
Investment in an associated company	-	(120)	-	(120)
Translation differences	170	(42)	127	2
Net cash used in investing activities	(742)	(703)	(1,661)	(1,009)
Cash flows from financing activities				
Interest paid	(1)	(1)	(3)	(5)
(Repayments of)/Proceeds from short term borrowings, net	(112)	(13)	(116)	284
Funds withdrawn from/(placed in) non-liquid deposits	7	(3)	(8)	214
Acquisition of non-controlling interests	-	-	(2,940)	-
Dividend paid to shareholders	(2,010)	(2,010)	(5,025)	(5,025)
Dividend paid to non-controlling interests	(7)	-	(7)	-
Net cash used in financing activities	(2,123)	(2,027)	(8,099)	(4,532)
Net increase/(decrease) in cash and cash equivalents	951	122	(2,403)	(262)
Cash and cash equivalents at beginning of financial period/year	79,105	79,160	82,348	79,601
Effect of exchange rate fluctuations on cash and cash equivalents	380	87	491	30
Cash and cash equivalents at end of financial period	80,436	79,369	80,436	79,369
Cash and cash equivalents comprise:				
Fixed deposits	47,057	30,657	47,057	30,657
Cash and bank balances	33,489	48,816	33,489	48,816
	80,546	79,473	80,546	79,473
Less: funds placed in non-liquid deposits	(110)	(104)	(110)	(104)
	80,436	79,369	80,436	79,369

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
Balance at 1 January 2015	99,717	96,532	43,299	(317)	53,550	3,185
Profit for the period	5,210	5,299	-	-	5,299	(89)
<i>Other comprehensive income:</i>						
Currency translation differences	(368)	(271)	-	(271)	-	(97)
Other comprehensive income for the period, net of tax	(368)	(271)	-	(271)	-	(97)
Total comprehensive income for the period	4,842	5,028	-	(271)	5,299	(186)
Distributions to owners of the Company						
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2014	(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 2015	(2,010)	(2,010)	-	-	(2,010)	-
Dividend paid to non-controlling interests	(7)	-	-	-	-	(7)
Total distributions to owners of the Company	(5,032)	(5,025)	-	-	(5,025)	(7)
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests without a change in control	(2,940)	(220)	-	-	(220)	(2,720)
Total changes in ownership interests in subsidiaries	(2,940)	(220)	-	-	(220)	(2,720)
Total transactions with owners of the Company	(7,972)	(5,245)	-	-	(5,245)	(2,727)
Balance at 30 September 2015	96,587	96,315	43,299	(588)	53,604	272
Balance at 1 January 2014	97,189	93,608	43,299	(360)	50,669	3,581
Profit for the period	5,180	5,455	-	-	5,455	(275)
<i>Other comprehensive income:</i>						
Currency translation differences	30	26	-	26	-	4
Other comprehensive income for the period, net of tax	30	26	-	26	-	4
Total comprehensive income for the period	5,210	5,481	-	26	5,455	(271)
Distributions to owners of the Company						
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2013	(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 2014	(2,010)	(2,010)	-	-	(2,010)	-
Balance at 30 September 2014	97,374	94,064	43,299	(334)	51,099	3,310

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

Company	Total Equity S\$'000	Share Capital S\$'000	Other Reserves S\$'000	Accumulated Profits S\$'000
Balance at 1 January 2015	84,218	43,299	-	40,919
Net profit and total comprehensive income for the period	3,951	-	-	3,951
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2014	(3,015)	-	-	(3,015)
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ending 31 December 2015	(2,010)	-	-	(2,010)
Balance at 30 September 2015	83,144	43,299	-	39,845
Balance at 1 January 2014	83,429	43,299	-	40,130
Net profit and total comprehensive income for the period	3,696	-	-	3,696
Tax exempt (1-tier) final dividend of 1.5 cents per share for the financial year ended 31 December 2013	(3,015)	-	-	(3,015)
Tax exempt (1-tier) interim dividend of 1.0 cent per share for the financial year ended 31 December 2014	(2,010)	-	-	(2,010)
Balance at 30 September 2014	82,100	43,299	-	38,801

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no movements in the share capital of the Company from 30 June 2015 to 30 September 2015.

There were no outstanding convertibles instruments which may be converted to shares as at 30 September 2015 and 30 September 2014. There were no treasury shares held as at 30 September 2015 and 30 September 2014.

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.

Total number of issued shares excluding treasury shares

30-Sep-15 '000	31-Dec-14 '000
200,996	200,996

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

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements for the year ended 31 December 2014, except for the adoption of certain new/revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that became mandatory from 1 January 2015. The adoption of these new/revised FRS and INT FRS did not have any material effect on the financial information.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to item 4 above.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share for the period based on net profit attributable to shareholders

- i) Based on weighted average number of ordinary shares on issue
ii) On a fully diluted basis

Group figures			
3Q 2015	3Q 2014	30-Sep-15	30-Sep-14
cents	cents	cents	cents
1.21	0.99	2.64	2.71
1.21	0.99	2.64	2.71

- 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-15	31-Dec-14	30-Sep-15	31-Dec-14
47.9	48.0	41.4	41.9

- 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 2015 vs 3Q 2014

Group revenue for the quarter ended 30 September 2015 ("3Q 2015") rose 6% to \$26.3 million when compared to \$24.9 million for the same period last year ("3Q 2014"). The increase was mainly attributable to the Group's operations in Singapore which had additional outlets in this quarter.

Group profit before tax grew 20% to \$2.8 million when compared to \$2.3 million in 3Q 2014. The Group's operations in Singapore registered improved performance resulting from the higher sales.

Group profit after tax for 3Q 2015 increased 29% to \$2.5 million when compared to \$1.9 million in 3Q 2014. After deducting the share of profit attributable to non-controlling interests, the Group recorded a profit attributable to owners of the Company of \$2.4 million, 23% higher than \$2.0 million in 3Q 2014.

YTD Sep 2015 vs YTD Sep 2014

Group revenue for the 9 months ended 30 September 2015 ("YTD Sep 2015") was approximately \$75.0 million, a marginal decrease when compared to \$75.1 million for the same period last year ("YTD Sep 2014"). The Group's operations in Singapore recorded higher revenue, while the revenue from the Malaysian operations was affected by the translation effect of the weaker Malaysian Ringgit against Singapore Dollar.

Group profit before tax was \$6.2 million for YTD Sep 2015, a slight decrease of 3% when compared to \$6.4 million for YTD Sep 2014. The restaurant operation in Singapore continues to be the main profit contributor though its profit was impacted by the write-off of plant and equipment arising from the closure of outlets. The profit contribution from the operations in Malaysia was affected by the weaker Malaysian Ringgit.

With a lower provision for income tax expense, the Group recorded a profit after tax of \$5.2 million in YTD Sep 2015, a marginal increase compared to YTD Sep 2014. After deducting the share of losses attributable to non-controlling interests, the Group recorded a profit attributable to owners of the Company of \$5.3 million, 3% lower when compared to \$5.5 million in YTD Sep 2014.

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

The Group generated operating cash flow of \$3.8 million in 3Q 2015. Net cash used in investing activities was mainly for the purchase of plant and equipment of \$1.1 million. Net cash used in financing activities was mainly for the payment of interim dividend to shareholders of \$2.0 million. Overall, the cash and cash equivalents of the Group increased by approximately \$1.0 million in 3Q 2015.

For YTD Sep 2015, cash flow generated from operating activities was \$7.4 million. Net cash used in investing activities was mainly for the purchase of plant and equipment of \$2.2 million, partially offset by interest income of \$0.4 million. Net cash used in financing activities comprised mainly the acquisition of the remaining interest in a subsidiary from the NCI of \$2.9 million and the two dividend payments to shareholders of \$5.0 million. Overall, the cash and cash equivalents of the Group was reduced by \$2.4 million to \$80.4 million as at 30 September 2015.

- 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 and 1H 2015 results announcement made on 14 August 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 and beverage industry to remain competitive and challenging. Increased operating costs, particularly in rental and manpower costs, will continue to exert pressure on the profit margin. To counter the impact of such cost pressures, the Group will remain focused on driving revenue, managing its operating costs and improving operational efficiency. In addition, the Group continues to explore opportunities to expand its portfolio of brands in the food and beverage sector.

As for the property business, the Group is continuing its efforts in pursuing investment opportunities in the region for this core 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 2015 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 2015 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Chua Tiang Choon, Keith
Executive Chairman

Singapore

13 November 2015

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

13 November 2015