



AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

Unaudited Third Quarter Financial Statements and Dividend Announcement for the Period Ended 30 September 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & 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		
		2014	2013	Change	2014	2013	Change
		S\$'000	S\$'000	+/(-)%	S\$'000	S\$'000	+/(-)%
Revenue		105,548	101,670	3.8	313,381	296,290	5.8
Cost of revenue		(61,046)	(59,166)	3.2	(180,889)	(168,301)	7.5
Gross profit		44,502	42,504	4.7	132,492	127,989	3.5
Other revenue		757	514	47.3	2,522	2,072	21.7
Selling and marketing expenses		(20,113)	(18,677)	7.7	(58,571)	(53,254)	10.0
General and administration expenses		(7,290)	(9,361)	(22.1)	(23,228)	(23,578)	(1.5)
Other operating expenses		(17,572)	(17,593)	(0.1)	(52,356)	(50,966)	2.7
Investment related activities		69	(654)	n.m.	1,608	(732)	n.m.
Finance costs		(86)	(98)	(12.2)	(276)	(303)	(8.9)
Share of results of an associated company		(3)	-	n.m.	(3)	-	n.m.
Share of results of a joint venture company		189	234	(19.2)	433	611	(29.1)
Profit/(loss) before taxation	1	453	(3,131)	n.m.	2,621	1,839	42.5
Income tax expense	2	(423)	(507)	(16.6)	(1,110)	(2,501)	(55.6)
Profit/(loss) for the financial period, net of taxation		30	(3,638)	n.m.	1,511	(662)	n.m.
Other comprehensive income/(expense):							
Foreign currency translation							
- Reclassification adjustment for gain on disposal of a foreign operation		-	-	n.m.	(354)	-	n.m.
- Gains/(losses) arising during the period		133	(782)	(117.0)	540	(778)	n.m.
Other comprehensive income/(expense) for the financial period, net of taxation		133	(782)	n.m.	186	(778)	n.m.
Total comprehensive income/(expense) for the financial period		163	(4,420)	n.m.	1,697	(1,440)	n.m.
Profit/(loss) attributable to:							
Owners of the Company		32	(3,114)	n.m.	1,486	456	n.m.
Non-controlling interests		(2)	(524)	(99.6)	25	(1,118)	n.m.
		30	(3,638)	n.m.	1,511	(662)	n.m.
Total comprehensive income/(expense) attributable to:							
Owners of the Company		163	(4,143)	n.m.	1,669	(503)	n.m.
Non-controlling interests		-	(277)	n.m.	28	(937)	n.m.
		163	(4,420)	n.m.	1,697	(1,440)	n.m.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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

	GROUP					
	3rd Quarter Ended 30 September			Period Ended 30 September		
	2014	2013	Change	2014	2013	Change
	S\$'000	S\$'000	+/(-)%	S\$'000	S\$'000	+/(-)%
1 Profit/(loss) before taxation						
Profit/(loss) before taxation included the following for the financial period ended 30 September:						
Amortisation of intangible assets	(700)	(700)	-	(2,100)	(2,100)	-
(Allowance)/write-back for impairment on trade debtors	(46)	69	n.m.	(155)	(104)	49.0
Depreciation of property, plant and equipment	(3,317)	(3,467)	(4.3)	(9,676)	(9,955)	(2.8)
Dividend income	139	191	n.m.	139	191	n.m.
Fair value changes of financial instruments :						
- Gain/(loss) on investment funds at fair value through profit or loss	53	(461)	n.m.	(123)	41	n.m.
- Loss on redeemable preference shares issued by a subsidiary company	-	-	n.m.	-	(814)	n.m.
Foreign exchange gain/(loss)	577	(387)	n.m.	312	1,457	(78.6)
Interest income	2	160	(98.8)	9	1,559	(99.4)
Gain on disposal of interest in subsidiary companies	-	-	n.m.	1,734	-	n.m.
Net gain/(loss) on disposal of property, plant and equipment	1	(12)	n.m.	54	(39)	n.m.
Property, plant and equipment written off	17	(126)	n.m.	(151)	(159)	(5.0)
Write-back of impairment loss of property, plant and equipment	163	-	n.m.	255	-	n.m.
Stocks written down	(554)	(561)	(1.2)	(1,725)	(1,583)	9.0
Bad debts recovered	-	-	n.m.	-	1	n.m.
2 Income tax expense						
The charge for income tax expense includes the following:						
Over/(under) provision in respect of prior period	555	(273)	n.m.	1,715	(197)	n.m.

n.m. = not meaningful

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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 2014 S\$'000	As at 31 December 2013 S\$'000	As at 30 September 2014 S\$'000	As at 31 December 2013 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	35,839	34,865	259	364
Intangible assets	77,841	79,901	-	-
Investments in subsidiary companies	-	-	95,197	95,197
Investments in an associated company	274	277	-	-
Investment in a joint venture company	1,665	2,067	-	-
Long-term investments	10,182	10,160	-	-
Other debtors	7,342	5,810	-	-
Prepayments and other recoverables	1,384	735	-	-
Deferred tax assets	1,116	1,158	-	-
	135,643	134,973	95,456	95,561
Current assets				
Stocks	49,617	42,318	-	-
Trade debtors	63,712	60,010	-	-
Other debtors	7,671	9,353	200	249
Prepayments and other recoverables	7,174	3,118	74	15
Amounts due from subsidiary companies	-	-	186,280	179,599
Fixed deposits (restricted)	3,990	3,856	-	-
Cash and cash equivalents	37,507	55,867	15,928	24,757
	169,671	174,522	202,482	204,620
Total assets	305,314	309,495	297,938	300,181
EQUITY AND LIABILITIES				
Current liabilities				
Trade creditors	(34,798)	(38,023)	-	-
Other creditors and accruals	(41,107)	(40,509)	(1,945)	(2,290)
Deferred income	(1,076)	(502)	-	-
Provisions	(876)	(1,046)	-	-
Amounts due to subsidiary companies	-	-	(179,762)	(175,764)
Loans and borrowings	(5,110)	(6,534)	-	-
Tax payable	(2,078)	(1,449)	-	(218)
	(85,045)	(88,063)	(181,707)	(178,272)
Net current assets	84,626	86,459	20,775	26,348
Non-current liabilities				
Deferred income	(454)	(433)	-	-
Provisions	(4,478)	(4,262)	(100)	(100)
Loans and borrowings	(436)	(333)	-	-
Deferred tax liabilities	(3,633)	(4,202)	(192)	(192)
	(9,001)	(9,230)	(292)	(292)
Total liabilities	(94,046)	(97,293)	(181,999)	(178,564)
Net assets	211,268	212,202	115,939	121,617

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

Statements of Financial Position (continued)

	GROUP		COMPANY	
	As at 30 September 2014 S\$'000	As at 31 December 2013 S\$'000	As at 30 September 2014 S\$'000	As at 31 December 2013 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	146,510	147,537	43,003	48,681
Other reserves	(541)	(761)	-	-
Merger reserve	-	-	8,475	8,475
	<u>210,430</u>	<u>211,237</u>	<u>115,939</u>	<u>121,617</u>
Non-controlling interests	838	965	-	-
Total equity	<u>211,268</u>	<u>212,202</u>	<u>115,939</u>	<u>121,617</u>
 Total equity and liabilities	 <u>305,314</u>	 <u>309,495</u>	 <u>299,240</u>	 <u>300,181</u>

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

	Note	GROUP	
		As at 30 September 2014 S\$'000	As at 31 December 2013 S\$'000
Repayable within one year (unsecured)		4,973	6,433
Repayable within one year (secured)	(i)	137	101
Repayable after one year (secured)	(i)	436	333
		<u>5,546</u>	<u>6,867</u>

Note (i)

As at 30 September 2014, the finance lease liability repayable within one year and after one year of \$137,000 (31 December 2013: \$101,000) and \$436,000 (31 December 2013: \$333,000) respectively was secured by the related leased assets.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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	
	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000
Cash flows from operating activities				
Profit/(loss) before taxation	453	(3,131)	2,621	1,839
Adjustments for:				
Dividend income	(139)	(191)	(139)	(191)
Interest income	(2)	(160)	(9)	(1,559)
Interest expense	86	98	276	303
Share of results of associated companies	3	-	3	-
Share of results of a joint venture company	(189)	(234)	(433)	(611)
Allowance/(write-back) of impairment on trade debtors	46	(69)	155	104
Bad debts recovered	-	-	-	(1)
Stocks written down	554	561	1,725	1,583
Amortisation of intangible assets	700	700	2,100	2,100
Depreciation of property, plant and equipment	3,317	3,467	9,676	9,955
Fair value changes of financial instruments:				
- (Gain)/loss on investment funds at fair value through profit or loss	(53)	461	123	(41)
- Loss on redeemable preference shares issued by a subsidiary company	-	-	-	814
Property, plant and equipment written off	(17)	126	151	159
Write-back of impairment loss on property, plant and equipment	(163)	-	(255)	-
Net (gain)/loss on disposal of property, plant and equipment	(1)	12	(54)	39
Gain on disposal of interests in subsidiary companies	-	-	(1,734)	-
Translation differences	(337)	177	437	(1,068)
Operating cash flows before working capital changes	4,258	1,817	14,643	13,425
<u>Increase in assets:</u>				
Stocks	(1,089)	(2,512)	(9,024)	(5,924)
Trade and other debtors	(153)	(122)	(7,695)	(5,845)
<u>(Decrease)/increase in liabilities:</u>				
Trade and other creditors	(2,264)	1,645	(1,905)	1,446
Net cash generated from/(used in) operations	752	828	(3,981)	3,102
Tax paid	(897)	(1,728)	(1,595)	(3,014)
Interest paid	(86)	(98)	(276)	(303)
Interest received	2	160	9	4,099
Net cash flows (used in)/generated from operating activities	(229)	(838)	(5,843)	3,884
Cash flows from investing activities				
Disposal of interests of subsidiary companies	-	-	1,255	-
Dividend income received	139	191	139	191
Dividend received from a joint venture company	835	639	835	639
Proceeds from disposal of property, plant and equipment	18	20	73	55
Proceeds from return of capital from investment funds	32	-	257	433
Purchase of property, plant and equipment	(2,985)	(3,881)	(10,598)	(9,122)
Purchase of investment funds	(400)	-	(400)	(600)
Proceeds from issuance of redeemable preference shares by a subsidiary company	-	-	-	21,073
Net cash flows (used in)/generated from investing activities	(2,361)	(3,031)	(8,439)	12,669

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

Consolidated Statement of Cash Flows (continued)

	GROUP			
	3rd Quarter Ended 30 September		Period Ended 30 September	
	2014 S\$'000	2013 S\$'000	2014 S\$'000	2013 S\$'000
Cash flows from financing activities				
Acquisition of non-controlling interests	(37)	(10,567)	(118)	(10,642)
Repayment of obligations under finance leases	(36)	(19)	(99)	(47)
Repayment of bank borrowings	(5,234)	(6,164)	(18,216)	(18,027)
Proceeds from bank borrowings	4,645	5,691	16,673	18,184
Repayment of financing for redeemable preference shares	-	-	-	(4,436)
Increase in fixed deposits pledged with the banks	(119)	1,046	(119)	1,451
Dividend on ordinary shares	-	-	(2,513)	(3,770)
Net cash flows used in financing activities	(781)	(10,013)	(4,392)	(17,287)
Net decrease in cash and cash equivalents	(3,371)	(13,882)	(18,674)	(734)
Cash and cash equivalents at beginning of period	40,390	72,445	55,867	58,533
Effect of exchange rate changes on cash and cash equivalent held in foreign currencies	488	(688)	314	76
Cash and cash equivalents at end of financial period (Note 1)	37,507	57,875	37,507	57,875

Note 1

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

	GROUP	
	Period Ended 30 September	
	2014 S\$'000	2013 S\$'000
Fixed deposits (restricted)	3,990	3,853
Fixed deposits (current)	4,597	9,252
Cash and bank balances	32,910	48,623
	41,497	61,728
Fixed deposits pledged with the bank [Note (a)]	(3,990)	(3,853)
	37,507	57,875

Note (a)

This relates to:

- (i) S\$2.5 million (2013: S\$2.1 million) was pledged to banks as security for banker's guarantees issued in lieu of rental deposits;
- (ii) S\$1.1 million (2013: S\$1.4 million) banker's guarantee for issuance of utility and rental deposits; and
- (iii) S\$0.4 million (2013: S\$0.4 million) was pledged to bank as security for overdraft facility.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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						Total equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Retained earnings S\$'000	Other reserves, total S\$'000	Foreign currency translation reserve S\$'000	Discount on acquisition of non-controlling interests S\$'000	Gain on purchase of treasury shares by a subsidiary company S\$'000			
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
2013									
Balance at 1 July 2013	64,461	173,050	(3,038)	(5,471)	1,915	518	234,473	16,835	251,308
Loss for the financial period	-	(3,114)	-	-	-	-	(3,114)	(524)	(3,638)
<u>Other comprehensive (expense)/income</u>									
Foreign currency translation	-	-	(1,029)	(1,029)	-	-	(1,029)	247	(782)
Other comprehensive (expense)/income for the financial period, net of tax	-	-	(1,029)	(1,029)	-	-	(1,029)	247	(782)
Total comprehensive expense for the financial period	-	(3,114)	(1,029)	(1,029)	-	-	(4,143)	(277)	(4,420)
<u>Changes in ownership interest in subsidiaries</u>									
Acquisition of non-controlling interest	-	-	3,900	-	3,900	-	3,900	(14,465)	(10,565)
Total changes in ownership interest in subsidiaries	-	-	3,900	-	3,900	-	3,900	(14,465)	(10,565)
Total transactions with owners in their capital as owners	-	-	3,900	-	3,900	-	3,900	(14,465)	(10,565)
Balance at 30 September 2013	64,461	169,936	(167)	(6,500)	5,815	518	234,230	2,093	236,323

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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
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
2013				
Balance at 1 July 2013	64,461	46,242	8,475	119,178
Loss for the financial period	-	(1,403)	-	(1,403)
Total comprehensive expenses for the financial period	-	(1,403)	-	(1,403)
Balance at 30 September 2013	64,461	44,839	8,475	117,775

* Retained earnings included a non-distributable amount of \$32,617,000 (2013: \$32,617,000) which relates to the gain resulting from an internal restructuring of certain subsidiary companies in 1999.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

- 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 2014 and 31 December 2013 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 2013.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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 September		Period Ended 30 September	
	2014	2013	2014	2013
	cents	cents	cents	cents
(i) Basic EPS based on the weighted average number of ordinary shares on issue	0.03	(2.48)	1.18	0.36
(ii) Diluted EPS based on weighted average number of ordinary shares	0.03	(2.48)	1.18	0.36

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 2013: 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.**

Net Assets Value (NAV)

	GROUP		Company	
	As at 30 September 2014	As at 31 December 2013	As at 30 September 2014	As at 31 December 2013
	\$	\$	\$	\$
Net asset value per ordinary share	1.67	1.68	0.92	0.97

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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.

		Revenue							
Note	3rd Quarter Ended 30 September					Financial Period Ended 30 September			
	2014	2013	Variance		2014	2013	Variance		
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%	
<u>Food Group</u>									
Wholesale & distribution	(ii)	59,022	57,565	1,457	2.5	177,107	162,428	14,679	9.0
Manufacturing	(iii)	11,964	11,295	669	5.9	34,853	32,025	2,828	8.8
<u>Food Retail Group</u>									
Edmonton Group	(i)	19,450	17,907	1,543	8.6	55,820	52,286	3,534	6.8
Food Junction Group	(iv)	15,004	14,706	298	2.0	45,454	47,592	(2,138)	(4.5)
Other investments		108	197	(89)	(45.3)	146	1,959	(1,813)	(92.5)
		105,548	101,670	3,878	3.8	313,381	296,290	17,091	5.8

In Q3 2014, the Group achieved total revenue of S\$105.5 million, an improvement of S\$3.9 million compared to last year. The analysis on the sales performance by business segments is as follows:

- (i) Higher revenue from Edmonton Group was due mainly to increase in retail sales generated by outlets in Delifrance Hong Kong, attributable to better customer awareness created by the increase in promotional activities. The overall growth in sales was partly offset by the marginal decline in retail sales reported by Delifrance Malaysia and Singapore due to more intense competition;
- (ii) Higher revenue from wholesale & distribution segment was attributed to higher sales from Food Service contributed by new agencies and new market penetration into restaurants, and partially offset by lower retail sales which was brought about by key accounts and wholesales;
- (iii) Manufacturing segment recorded higher revenue in Q3 2014 due to the increase in sales by Sunshine range of products under the bread category and the cream rolls under the bun category within the Sunshine Bakeries division. The growth was also contributed by new products launched under the bread category; and
- (iv) Higher revenue from Food Junction Group segment was due mainly to improved performance reported by Food Courts, Self-operated stalls and newly renovated restaurant in Hong Kong. Newly opened Eggs & Berries @ Westgate and MEDZS @ Clifford Centre also contributed to the increase in revenue. This was partially offset by the closure of The Boxing Crab, discontinuation of management and operator services of ME@OUE and lower contribution from other restaurants.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

Review of Income Statement (cont'd)

Profit before taxation

The Group reported a profit before taxation of S\$0.5 million in Q3 2014 as opposed to loss before tax of S\$3.1 million in same period last year. The improvement of S\$3.6 million was attributed mainly to:

- (i) Food Junction Group's operating loss in Q3 2014 was lower than the operating loss reported in the corresponding quarter in 2013. This was mainly brought about by higher sales, lower personnel cost, depreciation, lease expenses and other operating expenses;
- (ii) Edmontor Group reported an operating loss of S\$1.0 million in Q3 2014, down from S\$2.1 million in the same quarter last year. The improved performance was largely contributed by Delifrance Hong Kong and Singapore, offset by weaker performance from Delifrance Malaysia.

Delifrance Hong Kong reported higher operating profit, mainly driven by higher sales arising from intensive promotional activities, and the lower operating loss in Delifrance Singapore was due to lower operating cost and legal fees.

Delifrance Malaysia posted S\$0.2 million more operating loss in Q3 2014 than the year before. Besides the lower sales generated, higher personnel costs, food costs and other operating expenses were also reported due to the addition of two new outlets.

- (iii) Other investments segment's operating loss in Q3 2014 was S\$0.6 million lower than the operating loss in the previous year, largely brought about by fair value gain on the investment fund as opposed to fair value loss on investment fund recorded in Q3 2013; and
- (iv) Operating profit from manufacturing segment increased from S\$1.8 million in Q3 2013 to S\$2.2 million in Q3 2014. The growth in operating profit by S\$0.4 million was largely driven by manufacturing in Singapore due to higher gross profit from growth in sales and partially offset by higher sales & marketing expenses, as well as higher cost of raw materials from Malaysia's manufacturing business.

Offset by:

- (v) Wholesale and distribution segment's operating profit for Q3 2014 was S\$0.7 million lower than the operating profit reported in Q3 2013. The unfavourable variance was attributed to weaker performance in Malaysia. The operations in Malaysia reported a S\$0.7 million lower operating profit due mainly to higher selling & marketing expenses, production development cost and higher delivery cost. The operating profit in Singapore was marginally higher than the same quarter in 2013. This was mainly brought about by higher GP margin, lower delivery and storage costs and partially offset by higher personnel cost and repair and maintenance expense.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

Review of Financial Position

As at 30 September 2014, the Group's total equity stood at S\$211.3 million. This was S\$0.9 million lower than the position as at 31 December 2013. The decrease was contributed largely by the dividend payment of S\$2.5 million, partially offset by the year-to-date September 2014 profit generated.

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

- (i) Higher property, plant and equipment primarily due to new assets purchased for renovating new and existing restaurants, food courts and cafés in Singapore and Hong Kong, offset by depreciation, disposal and write-off of assets;
- (ii) Higher stocks attributed to new products and inventory stock-up for certain products as required by new agencies;
- (iii) Higher trade debtors mainly resulted from an increase in sales generated during the Ramadan period and slower collection from key customers;
- (iv) Higher prepayment and other recoverables mainly due to an increase in the Group's rental deposits paid for its retail outlets and advance payments for purchases of new assets of new restaurants. There was also an increase in renovation costs recoverable from tenants, following the renovation carried out at the Bugis food court; and
- (v) Lower trade creditors mainly due to decrease in purchases and settlement of suppliers' invoices.

Cash Flow Review

The Group's cash and cash equivalents decreased by S\$18.4 million from S\$55.9 million as at 31 December 2013 to S\$37.5 million as at 30 September 2014. The net cash decrease was mainly due to cash used in operating activities, dividends paid and capital expenditure, partially offset by the proceeds from disposal of Auric Pacific Dairy Group.

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 2014.

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 Singapore economy grew by 2.4% on a year-on-year basis in the third quarter of 2014, the same pace of growth as in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 1.2%, a reversal from the 0.1% contraction in the previous quarter.

The Group will remain focus on its core business in food distribution, manufacturing and retailing. To remain resilient against the challenges arising from the global conditions and stiff competition, the Group will continue to review its business strategies to strengthen the fundamentals of the businesses and to optimize the use of its resources. At the same time, the Group will refresh the F&B offerings such as introduction of new products and concepts, and innovative marketing and sales promotions to cater to changing consumer needs. As the Group strives to sustain and improve its profitability on its core businesses, it will also continue to evaluate and consider new business ventures when opportunities arise.

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

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.

No IPT mandate has been obtained.

BY ORDER OF THE BOARD

Tan T'eng Ta' Benedict
Company Secretary
12 November 2014

AURIC PACIFIC GROUP LIMITED

(Company Registration No. 198802981D)

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014

CONFIRMATION BY THE BOARD OF DIRECTORS PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL

Third Quarter Financial Statement Announcement for the Period Ended 30 September 2014

We, Albert Saychuan Cheok and Saw Phaik Hwa, being two of the directors of Auric Pacific Group Limited (the "Company"), do hereby confirm on behalf of the directors of the Company 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 financial results of the Company and the Group for the third quarter period ended 30 September 2014 to be false or misleading in any material aspect.

On behalf of the board of directors,

Mr. Albert Saychuan Cheok
Non-Executive Chairman

Ms. Saw Phaik Hwa
Group Chief Executive Officer and Executive Director

Singapore
12 November 2014