



Koufu Group Limited
(Incorporated in Singapore)
Company Registration No: 201732833D

Unaudited Third Quarter Financial Statements
For the financial period ended 30 September 2019

Background

Koufu Group Limited (the “Company”) was incorporated in Singapore on 15 November 2017 under the Companies Act as a private company limited by shares under the name of “Koufu Group Pte Ltd”. The Company was converted into a public limited company and renamed “Koufu Group Limited” on 19 June 2018.

On 18 July 2018, the Company was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”).

The directors of the Company are pleased to make the following announcement of the unaudited results for the third quarter (“3Q”) and period ended 30 September 2019 (“9M”).

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and 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

	Group		Increase/	Group		Increase/
	3Q 2019	3Q 2018	(decrease)	9M 2019	9M 2018	(decrease)
	S\$'000	S\$'000	+ / (-) %	S\$'000	S\$'000	+ / (-) %
Revenue	61,350	57,565	6.6%	177,210	166,792	6.2%
Other income	1,821	1,439	26.5%	5,262	3,917	34.3%
Cost of inventories consumed	(9,846)	(8,991)	9.5%	(27,732)	(26,488)	4.7%
Staff costs	(10,883)	(9,877)	10.2%	(30,809)	(28,308)	8.8%
Depreciation of investment properties and property, plant and equipment ⁽⁴⁾	(18,727)	(3,156)	N.M	(55,892)	(9,081)	N.M
Property rentals and related expenses ⁽⁴⁾	(11,783)	(27,843)	(57.7)%	(33,019)	(78,692)	(58.0)%
Distribution and selling expenses	(200)	(583)	(65.7)%	(650)	(1,715)	(62.1)%
Administrative expenses	(1,210)	(2,507)	(51.7)%	(3,605)	(4,685)	(23.1)%
Reversal of/(Impairment loss) on trade receivables	(26)	36	N.M	(224)	(325)	(31.1)%
Other operating expenses	(1,175)	(576)	N.M	(2,851)	(1,365)	N.M
Results from operating activities	9,321	5,507	69.3%	27,691	20,050	38.1%
Finance income	208	88	N.M	661	178	N.M
Finance costs ⁽⁴⁾	(1,025)	(54)	N.M	(3,015)	(175)	N.M
Net finance (costs)/income	(817)	34	N.M	(2,354)	3	N.M
Share of profit of associates and partnership , net of tax	31	96	67.7%	234	241	(2.9)%
Profit before tax	8,535	5,637	51.4%	25,571	20,294	26.0%
Tax expense	(1,345)	(981)	37.1%	(4,238)	(3,347)	26.6%
Profit for the period	7,190	4,656	54.4%	21,333	16,947	25.9%
Profit for the period attributable to:						
Owners of the Company	7,072	4,644	52.3%	21,185	16,999	24.6%
Non-controlling interests	118	12	N.M	148	(52)	N.M
	7,190	4,656	54.4%	21,333	16,947	25.9%

1(a)(i) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Statement of Comprehensive Income

	Group		Increase/ (decrease) +/(-) %	Group		Increase/ (decrease) +/(-) %
	3Q 2019 S\$'000	3Q 2018 S\$'000		9M 2019 S\$'000	9M 2018 S\$'000	
Profit for the period	7,190	4,656	54.4%	21,333	16,947	25.9%
Other comprehensive income						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation differences – foreign operations	223	(52)	N.M	147	140	5.0%
Total other comprehensive income for the period	223	(52)	N.M	147	140	5.0%
Total comprehensive income for the period	7,413	4,604	61.0%	21,480	17,087	25.7%
Total comprehensive income for the period attributable to:						
Owners of the Company	7,295	4,592	58.9%	21,332	17,139	24.5%
Non-controlling interests	118	12	N.M	148	(52)	N.M
	7,413	4,604	61.0%	21,480	17,087	25.7%

Notes:

- (1) 3Q denotes financial period from 1 July to 30 September
- (2) 9M denotes financial period from 1 January to 30 September
- (3) N.M denotes not meaningful
- (4) The significant increases or decrease are due to the adoption of Singapore Financial Reporting Standards (International) ("SFRS (I)") 16 Leases which is effective from 1 January 2019 (refer to paragraph 5 on page 14 for details)

1 (a)(ii) Notes to the Statement of Profit or Loss

	Group		Increase/	Group		Increase/
	3Q 2019	3Q 2018	(Decrease)	9M 2019	9M 2018	(Decrease)
	S\$'000	S\$'000	+/(-) %	S\$'000	S\$'000	+/(-) %
Employee benefits expenses	10,883	9,877	10.2%	30,808	28,308	8.8%
(Gain)/Loss on disposal of property, plant & equipment	-*	(2)	N.M	137	(32)	N.M
Government grants	(209)	(175)	19.4%	(589)	(785)	(25.0)%
(Reversal of)/Impairment loss on trade receivables	26	(36)	N.M	224	325	(31.1)%
Operating lease expenses	1,415	16,147	(91.2)%	3,369	44,977	(92.5)%
Write off of property, plant & equipment	10	136	(92.6)%	23	170	(86.5)%
Impairment loss on property, plant & equipment	-	-	N.M	592	-	N.M
Interest expenses on loans and borrowings	74	51	45.1%	249	170	46.5%
Interest income	(206)	(46)	N.M	(653)	(136)	N.M
Foreign exchange (gain)/loss (net)	(2)	(41)	(95.2)%	(8)	(39)	(79.5)%
Interest expenses on lease liabilities ⁽¹⁾	925	-	N.M	2,702	-	N.M
(Over)/Under provision of tax	34	-	N.M	(14)	55	N.M
Amortisation of intangible assets	13	17	(23.5)%	45	114	(60.5)%

⁽¹⁾ The significant increases or decreases are due to the adoption of SFRS(I) 16 Leases which is effective from 1 January 2019 (refer to paragraph 5 on page 14 for details)

* Less than \$1,000

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30 Sep 2019	31 Dec 2018	30 Sep 2019	31 Dec 2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant & equipment ⁽¹⁾	203,278	21,383	-	-
Lease prepayment ⁽¹⁾	-	3,658	-	-
Intangible assets	99	143	1	1
Investment properties ⁽¹⁾	21,099	13,765	-	-
Subsidiaries	-	-	1,000	1,000
Associates and partnership	14	262	-	-
Other investments	1,600	1,600	-	-
Deferred tax assets	384	-	-	-
Trade and other receivables	11,866	11,329	-	-
Total non-current assets	238,340	52,140	1,001	1,001
Current assets				
Inventories	1,214	1,288	-	-
Lease prepayment ⁽¹⁾	-	130	-	-
Trade and other receivables	9,621	10,158	42,241	41,374
Time deposits	3,000	35,000	-	-
Cash and cash equivalents	93,457	60,979	4,629	12,040
Total current assets	107,292	107,555	46,870	53,414
Total assets	345,632	159,695	47,871	54,415
LIABILITIES				
Current liabilities				
Trade and other payables	43,891	46,021	150	1,115
Lease liabilities ⁽¹⁾	63,030	-	-	-
Loans and borrowings	604	411	-	-
Current tax liabilities	4,373	6,009	208	180
Provision for reinstatement cost	2,043	1,329	-	-
Total current liabilities	113,941	53,770	358	1,295
Non-current liabilities				
Trade and other payables	6,000	6,763	-	-
Lease liabilities ⁽¹⁾	121,908	-	-	-
Loans and borrowings	4,264	4,364	-	-
Deferred tax liabilities	62	14	-	-
Provision for reinstatement cost	2,697	3,256	-	-
Total non-current liabilities	134,931	14,397	-	-
Total liabilities	248,872	68,167	358	1,295
EQUITY				
Share capital	44,961	44,961	44,961	44,961
Reserves	(140)	(287)	-	-
Treasury shares	(240)	-	(240)	-
Retained earnings	51,450	46,737	2,792	8,159
Equity attributable to owners of the Company	96,031	91,411	47,513	53,120
Non-controlling interests	729	117	-	-
Total equity	96,760	91,528	47,513	53,120
Total equity and liabilities	345,632	159,695	47,871	54,415

⁽¹⁾ The significant increases or decreases are due to the adoption of SFRS(I) 16 Leases which is effective from 1 January 2019 (refer to paragraph 5 on page 14 for details)

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

Amount repayable in one year or less, or on demand

As at 30 Sep 2019		As at 31 Dec 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
604	-	411	-

Amount repayable after one year

As at 30 Sep 2019		As at 31 Dec 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,264	-	4,364	-

Details of any collateral

The borrowings are secured by the following:

- Leasehold properties and certain investment properties
- Assignment of rental proceeds in respect of certain investment properties
- Corporate guarantees issued by the Company to its subsidiary

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 2019	3Q 2018	9M 2019	9M 2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Profit for the period	7,190	4,656	21,333	16,947
Adjustments for:				
Amortisation of intangible assets	13	17	45	114
Depreciation of property, plant and equipment ⁽¹⁾	17,450	2,958	52,077	8,609
Depreciation of investment properties ⁽¹⁾	1,277	198	3,815	472
(Gain)/Loss on disposal of property, plant and equipment	-	(2)	137	(32)
Impairment loss on property, plant & equipment	-	(169)	592	(169)
(Reversal of)/Impairment loss on trade receivables (net)	26	(36)	224	325
Finance income	(208)	(88)	(661)	(178)
Finance costs ⁽¹⁾	1,025	54	3,015	175
Share of profit of associates and partnership	(31)	(96)	(234)	(241)
Write off of property, plant and equipment	10	136	23	170
Gain on acquisition of subsidiary	(5)	-	(5)	-
Tax expense	1,345	981	4,238	3,347
	28,092	8,609	84,599	29,539
Changes in working capital				
Inventories	210	76	84	119
Trade and other receivables	(1,021)	1,125	186	(1,480)
Trade and other payables	2,918	3,280	586	1,865
Cash generated from operations	30,199	13,090	85,455	30,043
Tax paid	(2,445)	(2,560)	(5,601)	(5,009)
Net cash generated from operating activities	27,754	10,530	79,854	25,034
Cash flows from investing activities				
Interest received	207	44	651	132
Proceeds from disposal of property, plant and equipment	-	2	144	77
Purchase of:				
- intangible assets	(5)	(94)	(5)	(94)
- investment property	-	(2,275)	-	(4,375)
- property, plant and equipment	(5,502)	(3,440)	(16,215)	(14,159)
Dividends from equity-accounted investees	-	-	221	-
Time deposits placed with bank	-	(35,000)	-	(35,000)
Withdrawal of time deposits placed with bank	-	-	32,000	-
Net cash generated from/(used in) investing activities	(5,300)	(40,763)	16,796	(53,419)

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 (cont'd)

Statement of Cash Flows (cont'd)

	Group		Group	
	3Q 2019	3Q 2018	9M 2019	9M 2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities				
Payment of lease liabilities ⁽¹⁾	(15,733)	-	(48,451)	-
Capital contribution from non-controlling interest	4	-	204	-
Distribution of profits to the then-existing owners of sole-proprietors and partnership	-	(1,036)	-	(2,081)
Dividends paid to equity holders of the Company	(5,548)	-	(12,210)	(12,500)
Listing expenses paid	-	(2,634)	-	(2,634)
Proceeds from issuance of new shares pursuant to Initial Public Offering	-	45,462	-	45,462
Proceeds from loans and borrowings	520	1,950	520	3,250
Purchase of treasury shares	-	-	(240)	-
Repayment of loans from fellow subsidiary of immediate and ultimate holding company	(193)	-	(578)	-
Repayments of loans and borrowings	(146)	(127)	(427)	(229)
Interest paid ⁽¹⁾	(1,000)	(51)	(2,953)	(170)
Net cash (used in)/generated from financing activities	(22,096)	43,564	(64,135)	31,098
Net increase in cash and cash equivalents	358	13,331	32,515	2,713
Cash and cash equivalents at beginning of financial period	93,099	42,483	60,979	53,043
Effect of exchange rate fluctuations on cash held	-	28	(37)	86
Cash and cash equivalents at end of financial period	93,457	55,842	93,457	55,842

⁽¹⁾ The significant increases or decreases are due to the adoption of SFRS(I) 16 Leases which is effective from 1 January 2019 (refer to paragraph 5 on page 14 for details)

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

	<-----Attributable to owners of the Company----->					Non- controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Translation Reserve S\$'000	Retained earnings S\$'000	Total S\$'000		
Group							
At 1 January 2019	44,961	-	(287)	46,737	91,411	117	91,528
Adjustment on initial application of SFRS(I)16 Leases	-	-	-	(4,262)	(4,262)	(6)	(4,268)
Adjusted balance at 1 January 2019	44,961	-	(287)	42,475	87,149	111	87,260
Profit for the period	-	-	-	14,113	14,113	30	14,143
<u>Other comprehensive income</u>							
Foreign currency translation differences	-	-	(76)	-	(76)	-	(76)
Total other comprehensive income for the period	-	-	(76)	-	(76)	-	(76)
Total comprehensive income for the period	-	-	(76)	14,113	14,037	30	14,067
<u>Contribution by and distributions to owners</u>							
Dividends paid	-	-	-	(6,662)	(6,662)	-	(6,662)
Purchases of treasury shares	-	(240)	-	-	(240)	-	(240)
Total contribution by and distributions to owners	-	(240)	-	(6,662)	(6,902)	-	(6,902)
<u>Change in ownership interests in subsidiary</u>							
Issuance of new shares to non-controlling interest	-	-	-	-	-	200	200
Total change in ownership interests in subsidiary	-	-	-	-	-	200	200
Total transactions with owners	-	(240)	-	(6,662)	(6,902)	200	(6,702)
At 30 June 2019	44,961	(240)	(363)	49,926	94,284	341	94,625

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

	<-----Attributable to owners of the Company----->				Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Translation Reserve S\$'000	Retained earnings S\$'000			
Group							
At 30 June 2019	44,961	(240)	(363)	49,926	94,284	341	94,625
Profit for the period	-	-	-	7,072	7,072	118	7,190
<u>Other comprehensive income</u>							
Foreign currency translation differences	-	-	223	-	223	-	223
Total other comprehensive income for the period	-	-	223	-	223	-	223
Total comprehensive income for the period	-	-	223	7,072	7,295	118	7,413
<u>Contribution by and distributions to owners</u>							
Dividends paid	-	-	-	(5,548)	(5,548)	-	(5,548)
Total contribution by and distributions to owners	-	-	-	(5,548)	(5,548)	-	(5,548)
<u>Change in ownership interests in subsidiary</u>							
Non-controlling interest arising from acquisition of subsidiary	-	-	-	-	-	266	266
Incorporation of subsidiary	-	-	-	-	-	4	4
Total change in ownership interests in subsidiary	-	-	-	-	-	270	270
Total transactions with owners	-	-	223	1,524	1,747	388	2,135
At 30 September 2019	44,961	(240)	(140)	51,450	96,031	729	96,760

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	<-----Attributable to owners of the Company----->					Non-controlling interests S\$'000	Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Translation Reserve S\$'000	Retained earnings S\$'000	Total S\$'000		
At 1 January 2018	1,000	-	(395)	42,361	42,966	150	43,116
Profit for the period	-	-	-	12,355	12,355	(64)	12,291
<u>Other comprehensive income</u>							
Foreign currency translation reserve	-	-	192	-	192	-	192
Total other comprehensive income for the period	-	-	192	-	192	-	192
Total comprehensive income for the period	-	-	192	12,355	12,547	(64)	12,483
<u>Contribution by and distributions to owners</u>							
Dividend paid	-	-	-	(12,500)	(12,500)	-	(12,500)
Distribution of profits to the then-existing owners of sole proprietors and partnership	-	-	-	(1,045)	(1,045)	-	(1,045)
Total contribution by and distributions to owners	-	-	-	(13,545)	(13,545)	-	(13,545)
At 30 June 2018	1,000	-	(203)	41,171	41,968	86	42,054
Profit for the period	-	-	-	4,644	4,644	12	4,656
<u>Other comprehensive income</u>							
Foreign currency translation reserve	-	-	(52)	-	(52)	-	(52)
Total other comprehensive income for the period	-	-	(52)	-	(52)	-	(52)
Total comprehensive income for the period	-	-	(52)	4,644	4,592	12	4,604
<u>Contribution by and distributions to owners</u>							
Issuance of new shares pursuant to initial public offering	45,462	-	-	-	45,462	-	45,462
Initial public offering transactions costs deducted from equity	(1,347)	-	-	-	(1,347)	-	(1,347)
Distribution of profits to the then-existing owners of sole proprietors and partnership	-	-	-	(1,036)	(1,036)	-	(1,036)
Total contribution by and distributions to owners	44,115	-	-	(1,036)	43,079	-	43,079
At 30 September 2018	45,115	-	(255)	44,779	89,639	98	89,737

1(d)(i) Statement of Changes in Equity (cont'd)

	Attributable to owners of the Company			
	Share capital S\$'000	Treasury Shares S\$'000	Retained earnings S\$'000	Total S\$'000
Company				
At 1 January 2019	44,961	-	8,159	53,120
Profit and total comprehensive income for the period	-	-	6,546	6,546
<u>Contribution by and distributions to owners</u>				
Dividends paid	-	-	(6,662)	(6,662)
Purchases of treasury shares	-	(240)	-	(240)
Total contribution by and distributions to owners	-	(240)	(6,662)	(6,902)
At 30 June 2019	44,961	(240)	8,043	52,764
Profit and total comprehensive income for the period	-	-	297	297
<u>Contribution by and distributions to owners</u>				
Dividend paid	-	-	(5,548)	(5,548)
Total contribution by and distributions to owners	-	-	(5,548)	(5,548)
At 30 September 2019	44,961	(240)	2,792	47,513
At 1 January 2018	100	-	(2)	98
Loss and total comprehensive income for the period	-	-	(11)	(11)
<u>Contribution by and distributions to owners</u>				
Issuance of new shares	900	-	-	900
Total contribution by and distributions to owners	900	-	-	900
At 30 June 2018	1,000	-	(13)	987
Profit and total comprehensive income for the period	-	-	7,853	7,853
<u>Contribution by and distributions to owners</u>				
Issuance of new shares pursuant to initial public offering	45,462	-	-	45,462
Initial public offering transactions costs deducted from equity	(1,347)	-	-	(1,347)
Total contribution by and distributions to owners	44,115	-	-	44,115
At 30 September 2018	45,115	-	7,840	52,955

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.

Share capital – Ordinary Shares

	No. of shares '000	Issued and paid up capital S\$'000
Balance as at 1 January 2019 and 31 March 2019	555,163	44,961
Less: Treasury shares	(349)	(240)
As at 30 September 2019	554,814	44,721

During Q2 2019, the Company had bought back 349,300 shares by way of market acquisition and all shares acquired are held as treasury shares. Following the purchase, the Company has 349,300 treasury shares as at 30 September 2019 (30 Sep 2018: Nil). The Company did not have any subsidiary holdings or other convertible instruments as at 30 September 2019 and 31 December 2018.

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.

	30 September 2019	31 December 2018
Total number of issued shares ('000)	555,163	555,163
Les: Total number of treasury shares ('000)	(349)	-
Total number of issued shares ('000)	554,814	555,163

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.

There were no sales, transfers, disposals, cancellation and/or use of treasury shares as at end of the current financial period reported on.

(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 by the Company's 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.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2018.

(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.

The Group and the Company adopted the following new Singapore Financial Reporting Standards (International) ("SFRS(I)"), amendments and interpretations of SFRS(I)s effective from 1 January 2019:

- SFRS(I)16 *Leases*
- SFRS(I) INT 23 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to SFRS(I) 1-28)
- *Prepayment Features with Negative Compensation* (Amendments to SFRS(I) 9)
- *Previously Held Interest in a Joint Operation* (Amendments to SFRS(I) 3 and 11)
- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to SFRS(I) 1-12)
- *Borrowing Costs Eligible for Capitalisation* (Amendments to SFRS(I)1-23)
- *Plan Amendment, Curtailment or Settlement* (Amendments to SFRS(I)1-19)

The adoption of the above new SFRS(I)s, amendments and interpretations of SFRS(I)s is assessed to have no material financial effect on the results and financial position of the Group and the Company for the year ending 31 December 2019 except for SFRS(I)16 Leases. The Group's assessment of SFRS(I)16, which is expected to have a more significant impact on the Group is described below.

SFRS(I)16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group applied SFRS(I)16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019.

The following reconciliation summarises the impact on initial application of SFRS(I)16 on the Group's consolidated statement of financial position as at 1 January 2019.

1 January 2019	As previously reported S\$'000	Effects of adoption of SFRS(I)16 S\$'000	As at 1 Jan 2019 S\$'000
ASSETS			
Property, plant & equipment	21,383	121,935	143,318
Lease prepayment	3,658	(3,658)	-
Investment properties	13,765	2,494	16,259
Deferred tax assets	-	628	628
Others	13,334	-	13,334
Non-current assets	52,140	121,399	173,539
Lease prepayment	130	(130)	-
Others	107,425	-	107,425
Current assets	107,555	(130)	107,425
Total assets	159,695	121,269	280,964

1 January 2019	As previously reported S\$'000	Effects of adoption of SFRS(I)16 S\$'000	As at 1 Jan 2019 S\$'000
LIABILITIES			
Trade and other payables	(46,021)	1,507	(44,514)
Lease liabilities	-	(52,606)	(52,606)
Others	(7,749)	-	(7,749)
Current liabilities	(53,770)	(51,099)	(104,869)
Trade and other payables	(6,763)	1,079	(5,684)
Lease liabilities	-	(75,517)	(75,517)
Others	(7,634)	-	(7,634)
Non-current liabilities	(14,397)	(74,438)	(88,835)
Total liabilities	(68,167)	(125,537)	(193,704)
Retained earnings	(46,737)	4,262	(42,475)
Non-controlling interest	(117)	6	(111)
Others	(44,674)	-	(44,674)
Total equity	(91,528)	4,268	(87,260)
Total equity and liabilities	(159,695)	(121,269)	(280,964)

The Group has presented ROU assets that do not meet the definition of investment property within property, plant and equipment in the statement of financial position – i.e. the same line item as it presents underlying assets of the same nature that it owns. ROU assets that are held for rental that meet the definition of investment property are presented within investment properties.

(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		Group	
	3Q 2019	3Q 2018	9M 2019	9M 2018
Basic earnings per share (cents)	1.27	0.86	3.82	3.38
Weighted average number of shares*	554,813,700	542,612,913	555,022,806	503,089,333
Fully diluted earnings per share (cents)	1.27	0.86	3.82	3.38
Weighted average number of shares*	554,813,700	542,612,913	555,022,806	503,089,333

On 27 June 2018, every one share was sub-divided into 483 shares (the "Share Split"). For comparative purposes, the basic and diluted earnings per share have been computed based on the share capital assuming the Restructuring Exercise and Share Split were effected.

* The weighted average number of shares takes into account the share buy-backs transacted during the respective period.

(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.

	Group		Company	
	30 Sep 2019	31 Dec 2018	30 Sep 2019	31 Dec 2018
Net asset value per share (cents)	17.31	16.47	8.56	9.57
Number of shares issued at end of financial period	554,813,700	555,163,000	554,813,700	555,163,000

(8) A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must include a discussion of 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. It must also discuss any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on

OVERVIEW

Statements of Comprehensive Income

3Q 2019 vs 3Q 2018

The Group generated profit before taxation of S\$8.5 million in Q3 2019 as compared to S\$5.6 million in Q3 2018.

Revenue

Group revenue increased by S\$3.8 million or 6.6% from S\$57.6 million in Q3 2018 to S\$61.4 million in Q3 2019.

- (a) Revenue contribution from the outlet and mall management segment increased by S\$1.8 million from S\$28.9 million in Q3 2018 to S\$30.7 million in Q3 2019. This was mainly attributable to 2 new food courts at 164 Kallang Way and Millenia Walk opened in Q3 2019 and overall revenue growth from most of the food courts and coffee shops.
- (b) Revenue from the food & beverage ("F&B") retail business segment increased by S\$2.1 million from S\$28.7 million in Q3 2018 to S\$30.7 million in Q3 2019. This was mainly attributable to (i) 2 new food and beverage ("F&B") stalls in the newly opened food courts and coffee shop and 5 new F&B kiosks at JEMS, Far East Square, VivoCity, White Sands and SMU which commenced operations in Q3 2019 and (ii) overall revenue growth from most of the food courts and coffee shops.

Other Income

Other income increased by S\$0.4 million or 26.5% from S\$1.4 million in Q3 2018 to S\$1.8 million in Q3 2019 mainly due to an increase in reimbursement of renovation fees charged to the stall operators arising from the renovation of existing and new food courts and increase in sponsorship given by suppliers.

Cost of Inventories Consumed

Cost of inventories increased by S\$0.8 million or 9.5% from S\$9.0 million in Q3 2018 to S\$9.8 million in Q3 2019 generally in line with the increase in the revenue contribution from the F&B segment.

Staff Costs

Staff costs increased by S\$1.0 million or 10.2% from S\$9.9 million in Q3 2018 to S\$10.9 million in Q3 2019 was mainly due to (i) increase in headcount of management team and new F&B outlets and (ii) increase in staff incentives as a result of higher profits generated in Q3 2019 compared to Q3 2018.

Depreciation of Investment Properties, Property, Plant and Equipment

Depreciation charges increased by S\$15.5 million from S\$3.2 million in Q3 2018 to S\$18.7 million in Q3 2019. This was mainly due to depreciation charge in Q3 2019 for the ROU assets classified on investment properties and property, plant and equipment recognised upon the adoption of SFRS(I)16 as described in Section (5) with effect from 1 January 2019.

Property Rentals and Related Expenses

Property rentals and related expenses decreased by S\$16 million or 57.7% from S\$27.8 million in Q3 2018 to S\$11.8 million in Q3 2019. This was mainly due to the adoption of SFRS(I)16 with effect from 1 January 2019, whereby the fixed portion of the property rentals are now recognised as depreciation of the ROU assets within property, plant and equipment and investment properties instead of property rentals and related expenses, while the contingent rental continued to be recognised as property rentals and its related expenses.

Distribution and Selling Expenses

Distribution and selling expenses decreased by S\$0.4 million or 65.7% from S\$0.6 million in Q2 2018 to S\$0.2 million in Q3 2019 due to the adoption of SFRS(I)16 with effect from 1 January 2019.

Administrative Expenses

Administrative expenses decreased by S\$1.3 million or 51.7% from \$2.5 million in Q3 2018 to S\$1.2 million in Q3 2019 due to IPO transaction costs of S\$1.3 million being expensed off in Q3 2018.

Other Operating Expenses

Other operating expenses increased by S\$0.6 million from S\$0.6 million in Q3 2018 to S\$1.2 million in Q3 2019 mainly due to a tax-deductible bursary contribution of S\$0.5 million to a tertiary institution for the financially disadvantaged students.

Finance Costs

Finance costs increased by S\$0.9 million from S\$0.1 million in Q3 2018 to S\$1.0 million in Q3 2019 mainly due to interest expenses on lease liabilities recognised with the adoption of SFRS(I)16.

Tax Expense

Tax expenses increased by S\$0.3 million or 37.1% from S\$1.0 million in Q3 2018 to S\$1.3 million in Q3 2019 due to (i) higher profits generated in Q3 2019 as compared to Q3 2018 and (ii) deferred tax expenses recognised in Q3 2019. The effective tax rates were 15.8% and 17.4% for Q3 2019 and 2018 respectively. The lower effective tax rate for Q3 2019 was due to the 250% tax deduction of the S\$0.5 million bursary contribution.

9M 2019 vs 9M 2018

The Group generated profit before taxation of S\$25.6 million in 9M 2019 as compared to S\$20.3 million in 9M 2018.

Revenue

Group revenue increased by S\$10.4 million or 6.2% from S\$166.8 million in 9M 2018 to S\$177.2 million in 9M 2019. This was mainly due to:-

- (a) Revenue contribution from the outlet and mall management segment increased by S\$7.2 million from S\$82.7 million in 9M 2018 to S\$89.9 million in 9M 2019. This was mainly attributable to (i) 5 new food courts and 1 coffee shop opened in 9M 2019 and (ii) overall revenue growth from most of the food courts and coffee shops, including the food court at Marina Bay Sands which was partially closed from April to July 2018.
- (b) Revenue from the F&B business segment increased by S\$3.2 million from S\$84.1 million in 9M 2018 to S\$87.3 million in 9M 2019. This was mainly attributable to (i) 7 F&B stalls in the food courts and coffee shops and 15 new F&B kiosks opened in 9M 2019 and (ii) overall revenue growth from most of the food courts and coffee shops, including food court at Marina Bay Sands which was partially closed from April to July 2018.

Other Income

Other income increased by S\$1.4 million or 34.3% from S\$3.9 million in 9M 2018 to S\$5.3 million in 9M 2019 mainly attributable to an increase in reimbursement of renovation fees charged to the stall operators arising from the renovation of existing and new food courts.

Cost of Inventories Consumed

Cost of inventories increased by S\$1.2 million or 4.7% from S\$26.5 million in 9M 2018 to S\$27.7 million in 9M 2019 generally in line with the increase in revenue from F&B retail business.

Staff Costs

Staff costs increased by S\$2.5 million or 8.8% from S\$28.3 million in 9M 2018 to S\$30.8 million in 9M 2019. This was mainly due to increase in headcount of management team and new F&B outlets and increase in staff incentives as a result of higher profits generated compared to 9M 2018.

Depreciation of Investment Properties, Property, Plant and Equipment

Depreciation charges increased by S\$46.8 million from S\$9.1 million in 9M 2018 to S\$55.9 million in 9M 2019. This was mainly due to depreciation charge in 9M 2019 for the ROU assets classified on investment properties and property, plant and equipment recognised upon the adoption of SFRS(I)16 as described in Section (5) with effect from 1 January 2019.

Property Rentals and Related Expenses

Property rentals and related expenses decreased by S\$45.7 million or 58.0% from S\$78.7 million in 9M 2018 to S\$33.0 million in 9M 2019. This was mainly due to the adoption of SFRS(I)16 with effect from 1 January 2019, whereby the fixed portion of the property rentals are now recognised as depreciation of the ROU assets within property, plant and equipment and investment properties instead of property rentals and related expenses, while the contingent rental continued to be recognised as property rentals and its related expenses.

Distribution and Selling Expenses

Distribution and selling expenses decreased by S\$1.0 million or 62.1% from S\$1.7 million in 9M 2018 to S\$0.7 million in 9M 2019 mainly due to the adoption of SFRS(I)16 with effect from 1 January 2019.

Administrative Expenses

Administrative expenses decreased by S\$1.1 million or 23.1% from S\$4.7 million in 9M 2018 to S\$3.6 million in 9M 2019 mainly due to IPO transaction costs being expensed off in 9M 2018.

Other Operating Expenses

Other operating expenses increased by S\$1.5 million from S\$1.4 million in 9M 2018 to S\$2.9 million in 9M 2019 mainly due to impairment loss on property, plant and equipment recognised for cash generating units with recurring losses and a tax-deductible bursary contribution of S\$0.5 million to a tertiary institution for the financially disadvantaged students.

Finance Income

Finance income increased by S\$0.5 million from S\$0.2 million in 9M 2018 to S\$0.7 million in 9M 2019 was mainly due to interest earned on time deposits placed with bank.

Finance Costs

Finance costs increased by S\$2.8 million from S\$0.2 million in 9M 2018 to S\$3.0 million in 9M 2019 mainly due to interest expenses on lease liabilities recognised with the adoption of SFRS(I)16.

Tax Expense

Tax expenses increased by S\$0.9 million or 26.6% from S\$3.3 million in 9M 2018 to S\$4.2 million in 9M 2019 due to (i) higher profits generated in 9M 2019 as compared to 9M 2018 and (ii) deferred tax expenses recognised in 9M 2019. The effective tax rates were 16.6% and 16.5% for 9M 2019 and 2018 respectively.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of Financial Position

The comparative performance for assets and liabilities are based on financial statements as at 31 December 2018 and 30 September 2019.

Non-Current Assets

As at 30 September 2019, non-current assets increased by S\$186.2 million from S\$52.1 million to S\$238.3 million. The increase was due to (i) increase in investment properties by S\$7.3 million from S\$13.8 million as at 31 December 2018 to S\$21.1 million as at 30 September 2019, a result of the recognition of ROU assets (ii) increase in property, plant and equipment by S\$181.9 million from S\$21.4 million as at 31 December 2018 to S\$203.3 million as at 30 September 2019, for the additions to property, plant and equipment of S\$16.2 million for the renovations, kitchen equipment and furniture and fittings purchased with the opening of new F&B outlets and self-operated F&B stalls in FY2019, and the recognition of ROU assets of S\$174.9 million, with corresponding decrease in lease prepayment of the land premium for the integrated facility of S\$3.7 million as at 30 September 2019 (iii) deferred tax assets of S\$0.4 million arising from the timing difference of actual lease payment and depreciation of ROU assets and (iv) increase in trade and other receivables of S\$0.6 million relating to refundable deposits placed with landlords.

The increase was partially offset by decrease in associate and partnership of S\$0.2 million. The associate refers to Woodlands 548 Foodcourt Pte Ltd, which is consolidated as a subsidiary of the Group from 1 August 2019, with a shareholding of 50%.

Current Assets

As at 30 September 2019, current assets decreased by S\$0.3 million from S\$107.6 million to S\$107.3 million. The decrease was mainly due to decrease in trade and other receivables for rental deposits placed with landlords.

Non-Current Liabilities

Non-current liabilities increase by S\$120.5 million from S\$14.4 million as at 31 December 2018 to S\$134.9 million as at 30 September 2019. The increase was mainly due to the recognition of lease liabilities of S\$121.9 million with the adoption of SFRS(I)16 as at 30 September 2019, partially offset by decrease in (i) trade and other payable by S\$0.8 million due to decrease in rental deposit paid to landlord and (ii) provision for reinstatement cost S\$0.6 million.

Current Liabilities

Current liabilities increased by S\$60.1 million from S\$53.8 million as at 31 December 2018 to S\$113.9 million as at 30 September 2019.

The increase was mainly due to (i) the recognition of lease liabilities of S\$63.0 million with the adoption of SFRS(I)16 as at 30 September 2019, (ii) increase in loan and borrowings of S\$0.2 million as progressive loan were financed by bank, (iii) increase in provision for reinstatement cost of S\$0.7 million, partially offset by (iv) decrease in trade and other payables of S\$2.1 million from S\$46.0 million as at 31 December 2018 to S\$43.9 million as at 30 September 2019, of which S\$1.5 million relates to decrease in accrued lease rental which were offset against retained earnings in accordance with SFRS(I)16 and (v) decrease in current tax liabilities of S\$4.3 million.

Statement of Cash Flows

Q3 2019 vs Q3 2018

The Group generated net cash flows from operating activities in Q3 2019 of S\$27.8 million, a result of operating profit before working capital changes of S\$28.1 million, adjusted for net working capital inflows of S\$2.1 million and income taxes paid of S\$2.4 million. Net cash generated from operating activities before working capital changes of S\$28.1 million in Q3 2019 increased, as compared to that of S\$8.6 million in Q3 2018, due to the non-cash adjustment for depreciation of property, plant and equipment and depreciation

of investment properties arising from the adoption of SFRS(I)16.

Net cash flows used in investing activities in Q3 2019 amount to S\$5.3 million, was mainly attributable to the purchase of property, plant and equipment of S\$5.5 million, partially offset by interest received from the time deposits placed with bank of S\$0.2 million

Net cash flows used in financing activities in Q3 2019 amount to S\$22.1 million, was attributable to the cash outflows from (i) the payment of interest and lease liabilities of S\$1.0 million and S\$15.7 million respectively, (ii) repayment of loans and borrowings and loans from fellow subsidiary of immediate and ultimate holding company of S\$0.1 million and S\$0.2 million respectively and (iii) dividend paid to equity shareholders of S\$5.5 million, partially offset by proceeds from loans and borrowings of S\$0.5 million.

9M 2019 vs 9M 2018

The Group generated net cash flows from operating activities in 9M 2019 of S\$79.9 million, a result of operating profit before working capital changes of S\$84.6 million, adjusted for net working capital inflows of S\$0.9 million and income taxes paid of S\$5.6 million.

Net cash flows generated from investing activities in 9M 2019 amount to S\$16.8 million, was mainly attributable to the cash inflows from (i) withdrawal of time deposits placed with bank of S\$32.0 million, (ii) interest received from the time deposits placed with bank of S\$0.7 million, (iii) proceeds from disposal of property, plant and equipment of S\$0.1 million and (iv) net investment received from associate of S\$0.2 million, partially offset by purchase of property, plant and equipment of S\$16.2 million for the expansion and renovation of outlets.

Net cash flows used in financing activities in 9M 2019 amount to S\$64.1 million, was attributable to the cash outflows from (i) the payment of interest and lease liabilities of S\$3.0 million and S\$48.5 million respectively, (ii) repayment of loans and borrowings and loans from fellow subsidiary of immediate and ultimate holding company of S\$0.3 million and S\$0.6 million respectively, (iii) dividend paid to equity shareholders of S\$12.2 million, (iv) purchase of treasury shares of S\$0.2 million, partially offset by capital contribution from non-controlling interest of S\$0.2 million and proceeds from loans and borrowings of S\$0.5 million.

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

This is in line with what was previously disclosed by the Company.

(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 food and beverage ("F&B") industry continues to be competitive and challenging. Increasing rental costs and labour costs as a result of labour shortage are also key challenges faced in the F&B industry. Despite these challenges, the Group is expected to remain competitive as it continues its productivity efforts and expansion plans.

The Group remains focused on expanding its market share in food courts and coffee shops, as well as its F&B concept stores, bringing new food options and varieties to consumers.

The Group opened two new food courts in Q3 2019 and secured another two food courts leases, one of which is in Macau, both expected to be opened in FY 2020.

The Group has also opened two new restaurants in Q3 2019, bringing the total number of restaurants for the *Elemen* brand to 4 in FY 2019.

The expansion of the tea beverage brands in Singapore has seen the Group opened five new locations in Q3 2019 and secured ten new locations to-date for the *R&B Tea* outlets in Singapore, all of which are targeted to open progressively from Q4 2019 to FY 2020. This brings the total number of outlets for the tea beverage brands to 29 by end-FY 2019. The Group will continue to look for and secure new premises to

expand the number of F&B outlets.

The Group has further secured a lease in Malacca, Malaysia to operate its first tea beverage kiosk in Q4 2019.

The Group will continue to explore working with partners to operate its brands regionally.

The construction of the Group's integrated facility has commenced in Q4 2018 and is expected to obtain its temporary occupation permit by 1H 2020.

Barring any unforeseen circumstances, the Group expects to remain profitable in the next 12 months.

(11) If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividends have been declared or recommended for the current reporting period.

(b)(i) Amount per share (cents)

Not applicable.

(b)(ii) Previous corresponding period (cents)

1 cent per ordinary share.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the current financial period reported on.

(13) If the Group has obtained a general mandate from shareholders for Interested Person Transactions (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 obtained the renewal of the general mandate from shareholders in the Extraordinary General Meeting held on 24 April 2019. Details of the IPTs were disclosed in pages 20 to 29 of the Circular dated 9 April 2019.

Name of Interested Persons	Aggregate value of all IPTs during the financial period under review (excluding transactions conducted under the Shareholders' Mandate pursuant to Rule 920 of the Listing Manual and transactions less than S\$100,000)		Aggregate value of all IPTs conducted under the Shareholders' Mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)	
	3 months ended 30 September 2019	9 months ended 30 September 2019	3 months ended 30 September 2019	9 months ended 30 September 2019
	S\$'000	S\$'000	S\$'000	S\$'000
Abundance Realty Pte Ltd				
(i) Food court and coffeeshops' leases ⁽¹⁾	-	-	804	2,412
(ii) Outdoor refreshment area fees and conservancy and service charges (paid on behalf) ⁽²⁾	-	-	48	143
(iii) Repayment of loan interest ⁽³⁾	44	132	-	-
Great Solutions Pte Ltd Dishwashing, cleaning, landscaping and vector control services ⁽⁴⁾	-	-	126	406

⁽¹⁾ As disclosed in our Group's Prospectus dated 11 July 2018, our Group leases one food court and five coffee shop properties from Abundance Realty Pte Ltd with the leases executed on 28 September 2017 for a lease term of four years commencing 28 September 2017. The monthly rental amounts to \$268,000 with an aggregate value of \$12,864,000 for the entire lease period.

⁽²⁾ Outdoor refreshment area fees and conservancy and service charges which are paid by Abundance Realty Pte Ltd ("Abundance") to HDB and town councils in relation to the one food court and five coffee shops leased from Abundance are reimbursed by the Group to Abundance at cost on a monthly basis.

⁽³⁾ As disclosed in our Group's Prospectus dated 11 July 2018, our Group obtained a loan of S\$6.9 million from Abundance to finance the coffee shop property at 18 Jalan Membina after the entire loan amount was repaid to the bank pursuant to the restructuring. In turn, Abundance had obtained a 96-month term loan of S\$ 6.9 million from DBS Bank Ltd on 28 September 2017 under which monthly repayments are made by them. The rate of interest on the loan from Abundance to our Group is in accordance with the rate of interest of the bank facility granted by DBS Bank Ltd to Abundance. As at 30 September 2019, the remaining loan balance owing to Abundance is S\$5.2 million.

⁽⁴⁾ As disclosed in our Group's Circular to Shareholders dated 9 April 2019, our Group obtains dishwashing (offsite and on premises), cleaning (general, toilet and car park), landscaping and vector control services from Great Solutions Pte. Ltd. in respect of the Hawker Centre for a period of 2 years from 3 October 2017, with an option to renew for another year, payable upon service rendered on a monthly basis. The option of renew has been exercised.

Save for the above, there are no other IPTs which exceed S\$100,000 for the period under review.

(14) Use of IPO proceeds

The Company received gross proceeds amounting to approximately S\$45.5 million raised from the IPO on the Main Board of SGX-ST on 18 July 2018.

As at the date of this announcement, the status on the use of the IPO net proceeds is as follows:-

	Allocated	Utilised	Balance
	S\$'000	S\$'000	S\$'000
Capital expenditure for integrated facility	30,000	(7,932)	22,068
Refurbishment and renovation of new and existing F&B Outlets	8,000	(5,523)	2,477
Acquisitions, joint ventures, strategic alliances or investments	5,000	-	5,000
Listing expenses	2,500	(2,500)	-
Total	45,500	(15,955)	29,545

The above utilisations are in accordance with the intended use of IPO net proceeds, as stated in the Company's Prospectus.

(15) Negative Confirmation by the Board pursuant to Rule 705(5).

The Board has confirmed that to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results of the Group for the third quarter ended 30 September 2019 to be false or misleading in any material respect.

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

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Pang Lim
Executive Chairman and Chief Executive Officer

4 November 2019

DBS Bank Ltd. was the sole issue manager, global coordinator, bookrunner and underwriter (the "**Sole Issue Manager, Global Coordinator, Bookrunner and Underwriter**") for the initial public offering of shares in, and listing of, Koufu Group Limited on the Main Board of the Singapore Exchange Securities Trading Limited. The Sole Issue Manager, Global Coordinator, Bookrunner and Underwriter assumes no responsibility for the contents of this announcement.