



**Tung Lok Restaurants (2000) Ltd**  
(Company Registration Number: 200005703N)

**Condensed Interim Financial Statements**  
**For the six months ended 30 September 2022**

*This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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**TUNG LOK RESTAURANTS (2000) LTD**  
**Condensed Interim Financial Statements**  
**For the six months ended 30 September 2022**



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**A. Condensed Interim Consolidated Income Statement And Statement Of Comprehensive Income  
For the Financial Period ended 30 September 2022**

	Note	Group		Increase/ (decrease) %	
		6 months ended 30 September			
		2022 S\$'000	2021 S\$'000		
Revenue	4	39,057	20,301	92.4	
Cost of sales		(11,091)	(6,334)	75.1	
<b>Gross profit</b>		27,966	13,967	>100	
<i>Gross profit margin</i>		71.6%	68.8%	2.8	<i>percentage points</i>
Other operating income		936	4,262	(78.0)	
Administrative expenses		(14,597)	(10,763)	35.6	
Other operating expenses		(12,601)	(11,132)	13.2	
Share of profits/(losses) of associates		80	(7)	N.M.	
Finance costs		(277)	(212)	30.7	
<b>Profit/(loss) before tax</b>	6	1,507	(3,885)	N.M.	
Income tax (expense)/benefit	7	(47)	131	N.M.	
<b>Profit/(loss) for the period</b>		1,460	(3,754)	N.M.	
<b>Other comprehensive income/(loss):</b>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		-	(13)	(100.0)	
Total comprehensive income/(loss) for the period		1,460	(3,767)	N.M.	
<b>Profit/(loss) attributable to:</b>					
Owners of the Company		1,018	(3,433)	N.M.	
Non-controlling interests		442	(321)	N.M.	
		1,460	(3,754)	N.M.	
<b>Total comprehensive income/(loss) attributable to:</b>					
Owners of the Company		1,018	(3,446)	N.M.	
Non-controlling interests		442	(321)	N.M.	
		1,460	(3,767)	N.M.	
<b>Earnings/(losses) per share (cents)</b>					
Basic and diluted		0.37	(1.25)	N.M.	

*N.M. : percentage not meaningful.*

**B. Condensed Interim Statements Of Financial Position**

	Note	Group		Company	
		30 Sep 22 S\$'000	31 Mar 22 S\$'000	30 Sep 22 S\$'000	31 Mar 22 S\$'000
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and bank balances		12,990	12,883	1,757	1,762
Trade receivables		2,363	1,825	-	-
Other receivables and prepayments		2,357	1,947	517	510
Inventories		1,803	1,640	-	-
<b>Total current assets</b>		<b>19,513</b>	<b>18,295</b>	<b>2,274</b>	<b>2,272</b>
<b>Non-current assets:</b>					
Other receivables and prepayments		14	54	-	-
Long-term security deposits		903	944	-	-
Interests in subsidiaries		-	-	16,167	16,163
Associates		576	496	-	-
Deferred tax assets		320	362	-	-
Property, plant and equipment	9	8,888	7,245	-	-
Right-of-use assets	10	16,193	14,562	-	-
<b>Total non-current assets</b>		<b>26,894</b>	<b>23,663</b>	<b>16,167</b>	<b>16,163</b>
<b>Total assets</b>		<b>46,407</b>	<b>41,958</b>	<b>18,441</b>	<b>18,435</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities:</b>					
Trade payables		2,759	2,570	2	-
Other payables		6,726	5,021	147	170
Lease liabilities	10	6,097	5,390	-	-
Bank loans	11	1,284	1,037	-	-
Income tax payable		14	9	-	-
<b>Total current liabilities</b>		<b>16,880</b>	<b>14,027</b>	<b>149</b>	<b>170</b>
<b>Net current assets</b>		<b>2,633</b>	<b>4,268</b>	<b>2,125</b>	<b>2,102</b>
<b>Non-current liabilities:</b>					
Other payables		3,413	3,297	-	-
Lease liabilities	10	10,450	9,414	-	-
Bank loans	11	4,309	5,013	-	-
<b>Total non-current liabilities</b>		<b>18,172</b>	<b>17,724</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>35,052</b>	<b>31,751</b>	<b>149</b>	<b>170</b>
<b>Capital, reserves and non-controlling interests:</b>					
Share capital	12	28,450	28,450	28,450	28,450
Currency translation reserve		(60)	(60)	-	-
Accumulated losses		(15,692)	(16,710)	(10,158)	(10,185)
Equity attributable to owners of the Company		12,698	11,680	18,292	18,265
Non-controlling interests		(1,343)	(1,473)	-	-
<b>Net equity</b>		<b>11,355</b>	<b>10,207</b>	<b>18,292</b>	<b>18,265</b>
<b>Total liabilities and equity</b>		<b>46,407</b>	<b>41,958</b>	<b>18,441</b>	<b>18,435</b>

C. Condensed Interim Statements Of Changes In Equity

	GROUP					
	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Equity attributable to owners of the Company, total S\$'000	Non-controlling interests S\$'000	Total S\$'000
<b>At 1 April 2021</b>	28,450	(58)	(14,870)	13,522	(942)	12,580
Loss for the period	-	-	(3,433)	(3,433)	(321)	(3,754)
<u>Other comprehensive loss</u>						
Foreign currency translation, net of tax	-	(13)	-	(13)	-	(13)
	-	(13)	-	(13)	-	(13)
<b>Total comprehensive loss for the period, net of tax</b>	-	(13)	(3,433)	(3,446)	(321)	(3,767)
<u>Contributions by and distributions to owners</u>						
Dividends paid to a non-controlling interest in a subsidiary	-	-	-	-	(90)	(90)
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	-	(90)	(90)
<b>At 30 September 2021</b>	28,450	(71)	(18,303)	10,076	(1,353)	8,723
<b>At 1 April 2022</b>	28,450	(60)	(16,710)	11,680	(1,473)	10,207
Profit for the period	-	-	1,018	1,018	442	1,460
<b>Total comprehensive income for the period, net of tax</b>	-	-	1,018	1,018	442	1,460
<u>Contributions by and distributions to owners</u>						
Dividends paid to a non-controlling interest in a subsidiary	-	-	-	-	(21)	(21)
Repayment of quasi-equity loan to a non-controlling interest in a subsidiary	-	-	-	-	(7)	(7)
Return of share capital to non-controlling interests in subsidiaries	-	-	-	-	(284)	(284)
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	-	(312)	(312)
<b>At 30 September 2022</b>	28,450	(60)	(15,692)	12,698	(1,343)	11,355

	COMPANY		
	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
<b>At 1 April 2021</b>	28,450	(10,328)	18,122
Profit for the period, representing total comprehensive income for the period	-	215	215
<b>At 30 September 2021</b>	28,450	(10,113)	18,337
<b>At 1 April 2022</b>	28,450	(10,185)	18,265
Profit for the period, representing total comprehensive income for the period	-	27	27
<b>At 30 September 2022</b>	28,450	(10,158)	18,292

**D. Condensed Interim Consolidated Statement Of Cash Flow**

	Group	
	6 months ended 30 September 2022 S\$'000	2021 S\$'000
<b>Operating activities:</b>		
Profit/(loss) before tax	1,507	(3,885)
Adjustment for:		
Share of (profits)/losses of associates	(80)	7
Depreciation of property, plant and equipment	1,190	892
Depreciation of right-of-use assets	3,294	4,060
Write-off of property, plant and equipment	16	3
Loss on disposal of property, plant and equipment	-	4
Interest income	(10)	(1)
Interest expense	277	212
Dividend income from an unquoted equity	(63)	-
Foreign exchange loss/(gain)	1	(13)
Rent concessions from Singapore Government:		
- Rent concessions granted for lease component	-	(630)
- Rent concessions granted for non-lease component	-	(183)
Rent concessions from landlords:		
- Rent concessions granted for lease component	(34)	(618)
- Rent concessions granted for non-lease component	-	(32)
Rebate on lease rental of kitchen equipment	(6)	(21)
Loss on early termination of leases	-	38
Reversal of provision for reinstatement cost	-	(20)
<b>Operating cash flows before changes in working capital</b>	<u>6,092</u>	<u>(187)</u>
Changes in working capital:		
Increase in trade receivables	(538)	(158)
(Increase)/decrease in other receivables and prepayments	(426)	433
Increase in inventories	(163)	(164)
Decrease in long-term security deposits	41	199
Increase/(decrease) in trade payables	189	(128)
Increase/(decrease) in other payables	1,625	(1,502)
<b>Cash flows generated from/(used in) operations</b>	<u>6,820</u>	<u>(1,507)</u>
Interest paid	(79)	(48)
Interest received	2	2
Income tax received	-	3
<b>Net cash flows generated from/(used in) operating activities</b>	<u>6,743</u>	<u>(1,550)</u>
<b>Investing activities</b>		
Purchase of property, plant and equipment (see Note A)	(2,778)	(886)
Proceeds from disposal of property, plant and equipment	-	11
Dividends received from an unquoted equity	63	-
Return of share capital to non-controlling interests in subsidiaries	(284)	-
<b>Net cash flows used in investing activities</b>	<u>(2,999)</u>	<u>(875)</u>
<b>Financing activities</b>		
Dividends paid to a non-controlling interest in a subsidiary (see Note B)	(21)	(90)
Payment of principal portion of lease liabilities	(2,917)	(2,815)
Interest paid in relation to lease liabilities	(182)	(148)
Repayment of quasi-equity loan to a non-controlling interest in a subsidiary	(7)	-
Repayment of bank loans	(457)	(92)
Repayment of loan to a non-controlling interest in a subsidiary	(53)	-
<b>Net cash flows used in financing activities</b>	<u>(3,637)</u>	<u>(3,145)</u>
Net increase/(decrease) in cash and bank balances	107	(5,570)
Cash and bank balances at the beginning of the financial period	12,883	12,504
<b>Cash and bank balances at the end of the financial period</b>	<u>12,990</u>	<u>6,934</u>

**D. Condensed Interim Consolidated Statement Of Cash Flow (Continued)**

**Note A**

During HY23, the Group recorded additions to property, plant and equipment with an aggregate cost of S\$2,849,000 (HY22: S\$952,000) of which S\$171,000 (HY22: S\$Nil) relates to provision for reinstatement costs of premises and S\$234,000 (HY22: S\$99,000) remains unpaid as at 30 September 2022. Cash payments of S\$2,778,000 (HY22: S\$886,000) were made to the purchase of property, plant and equipment.

**Note B**

During HY23, certain subsidiaries of the Group declared dividends amounting to S\$21,000 (HY22: S\$90,000) to their non-controlling interests.

## E. Notes To The Condensed Interim Consolidated Financial Statements

### 1. Corporate information

Tung Lok Restaurants (2000) Ltd (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board ("**Catalist**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

These condensed interim consolidated financial statements as at and for the six months ended 30 September 2022 comprise the Company and its subsidiaries (the "**Group**").

The principal activity of the Company is that of investment holding. The principle activities of the subsidiaries are:

- i. Restaurateur
- ii. Central kitchen support function
- iii. Investment holding

Both of its principal place of business and registered office are located at 26 Tai Seng Street, #02-01, Singapore 534057.

### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2022 have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The unaudited condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2022.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### 2.1 New and amended standards adopted by the Group

The Group has adopted the same accounting policies and methods of computation in the condensed interim financial statements as compared to the most recently audited financial statements for the financial year ended 31 March 2022, as well as applicable new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") which became effective for financial years beginning on or after 1 April 2022. The adoption of the applicable new and revised SFRS(I) did not require any significant change to the accounting policies, measurement methods or make retrospective adjustments as a result of adopting those SFRS(I).

#### 2.2 Use of Judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are as follows:



## E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)

### 2.2 Use of Judgements and estimates (Continued)

a. Impairment of interests in subsidiaries

Determining whether interests in subsidiaries are impaired requires an estimation of value in use of these subsidiaries. The value in use calculation requires the management to estimate the future cash flows expected from the cash-generating unit and an appropriate discount rate in order to calculate the present value of the future cash flows.

b. Impairment of property, plant and equipment and right-of-use assets

Determining whether property, plant and equipment and right-of-use assets are impaired requires an estimation of the value in use. The value in use calculation requires the management to estimate the future cash flows expected from the cash-generating unit and an appropriate discount rate in order to calculate the present value of the future cash flows.

### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4. Segment and revenue information

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*. Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

The Group is organised into business units based on their products, services, and has four reportable operating segments as follows:

- a. The restaurant segment is in the business of operating restaurants.
- b. The catering segment is in the business of providing catering services.
- c. The manufacturing segment pertains to central kitchen function that supports the restaurant segment of the Group as well as OEM products to third parties.
- d. The others segment comprises of the corporate services, treasury functions, investment holding activities and franchising activities.

Management monitors the operating results of its business units separately by making decision about allocation of resources and assessment of performance of each segment.

Inter-segment sales are measured on the basis that the entity actually uses to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the reportable segment are the same as the Group's accounting policies described in the latest audited annual financial statements for the financial year ended 31 March 2022. Segment profit or loss represents the profit or loss earned/incurred by each segment without allocation of control administration costs and directors' salaries.

E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

4.1 Reportable segments

	Operation of restaurants S\$'000	Operation of catering S\$'000	Operation of manufacturing S\$'000	Others S\$'000	Elimina- tion S\$'000	Total S\$'000
<b>April 2022 to September 2022</b>						
<b>Revenue</b>						
Revenue from external customers	35,653	2,376	908	120	-	39,057
Inter-segment revenue	190	522	2,976	1,632	(5,320)	-
Total segment revenue	<u>35,843</u>	<u>2,898</u>	<u>3,884</u>	<u>1,752</u>	<u>(5,320)</u>	<u>39,057</u>
<b>Results</b>						
Profit/(loss) from operations	3,302	(822)	181	(967)	-	1,694
Finance costs	(236)	(15)	(18)	(8)	-	(277)
Finance income	-	-	-	10	-	10
Share of profits of associates	80	-	-	-	-	80
Segment profit/(loss) before tax	<u>3,146</u>	<u>(837)</u>	<u>163</u>	<u>(965)</u>	<u>-</u>	<u>1,507</u>
Income tax expense						(47)
Profit for the period						<u>1,460</u>
<b>Profit for the period has been arrived at after charging:</b>						
Depreciation of property, plant and equipment	(937)	(109)	(71)	(73)	-	(1,190)
Depreciation of right-of-use assets	(2,775)	(244)	(97)	(178)	-	(3,294)
Write-off of property, plant and equipment	(16)	-	-	-	-	(16)
Total assets for reportable segments	<u>32,986</u>	<u>1,752</u>	<u>4,736</u>	<u>6,933</u>	<u>-</u>	<u>46,407</u>
Total liabilities for reportable segments	<u>29,741</u>	<u>1,377</u>	<u>2,313</u>	<u>1,621</u>	<u>-</u>	<u>35,052</u>
<b>Other information</b>						
Investment in associates	576	-	-	-	-	576
Capital expenditure on plant and equipment	2,582	77	44	146	-	2,849
<b>April 2021 to September 2021</b>						
<b>Revenue</b>						
Revenue from external customers	17,921	1,353	963	64	-	20,301
Inter-segment revenue	44	147	2,362	1,600	(4,153)	-
Total segment revenue	<u>17,965</u>	<u>1,500</u>	<u>3,325</u>	<u>1,664</u>	<u>(4,153)</u>	<u>20,301</u>
<b>Results</b>						
(Loss)/profit from operations	(2,500)	(903)	132	(396)	-	(3,667)
Finance costs	(157)	(23)	(20)	(12)	-	(212)
Finance income	-	-	-	1	-	1
Share of losses of associates	(7)	-	-	-	-	(7)
Segment (loss)/profit before tax	<u>(2,664)</u>	<u>(926)</u>	<u>112</u>	<u>(407)</u>	<u>-</u>	<u>(3,885)</u>
Income tax benefit						131
Loss for the period						<u>(3,754)</u>
<b>Loss for the period has been arrived at after charging:</b>						
Depreciation of property, plant and equipment	(625)	(114)	(82)	(71)	-	(892)
Depreciation of right-of-use assets	(3,526)	(273)	(83)	(178)	-	(4,060)
Write-off of property, plant and equipment	(3)	-	-	-	-	(3)
(Loss)/gain on disposal of property, plant and equipment	(6)	2	-	-	-	(4)
Gain on foreign exchange - unrealised	13	-	-	-	-	13
Total assets for reportable segments	<u>20,326</u>	<u>2,271</u>	<u>4,761</u>	<u>5,352</u>	<u>-</u>	<u>32,710</u>
Total liabilities for reportable segments	<u>17,973</u>	<u>1,551</u>	<u>2,438</u>	<u>2,025</u>	<u>-</u>	<u>23,987</u>
<b>Other information</b>						
Investment in associates	489	-	-	-	-	489
Capital expenditure on plant and equipment	426	15	18	493	-	952

E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)

4. Segment and revenue information (Continued)

4.2 Disaggregation of Revenue

	Operation of restaurants S\$'000	Operation of catering S\$'000	Operation of manufacturing S\$'000	Others S\$'000	Elimination S\$'000	Total S\$'000
<b>April 2022 to September 2022</b>						
<b>Types of goods or services:</b>						
Sales of food and beverages	32,773	2,889	3,884	-	(3,688)	35,858
Service charges	3,070	9	-	-	-	3,079
Management fees	-	-	-	1,752	(1,632)	120
Total	35,843	2,898	3,884	1,752	(5,320)	39,057
<b>Timing of transfer of goods or services:</b>						
At a point in time	35,843	2,898	3,884	-	(3,688)	38,937
Over time	-	-	-	1,752	(1,632)	120
Total	35,843	2,898	3,884	1,752	(5,320)	39,057
<b>Geographical Information:</b>						
Singapore	35,843	2,898	3,884	1,752	(5,320)	39,057
<b>April 2021 to September 2021</b>						
<b>Types of goods or services:</b>						
Sales of food and beverages	16,752	1,497	3,325	-	(2,554)	19,020
Service charges	1,204	3	-	-	-	1,207
Management fees	9	-	-	1,664	(1,599)	74
Total	17,965	1,500	3,325	1,664	(4,153)	20,301
<b>Timing of transfer of goods or services:</b>						
At a point in time	17,956	1,500	3,325	-	(2,554)	20,227
Over time	9	-	-	1,664	(1,599)	74
Total	17,965	1,500	3,325	1,664	(4,153)	20,301
<b>Geographical Information:</b>						
Singapore	17,965	1,500	3,325	1,664	(4,153)	20,301

**E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)**

**5. Financial assets and financial liabilities**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2022 and 31 March 2022:

	Group		Company	
	30 Sep 22 S\$'000	31 Mar 22 S\$'000	30 Sep 22 S\$'000	31 Mar 22 S\$'000
<b>Financial assets</b>				
At amortised cost:				
Cash and bank balances	12,990	12,883	1,757	1,762
Trade receivables	2,363	1,825	-	-
Other receivables	1,446	1,128	506	504
Loans to subsidiaries	-	-	8,285	8,207
Long-term security deposits	903	944	-	-
Total	<u>17,702</u>	<u>16,780</u>	<u>10,548</u>	<u>10,473</u>
<b>Financial liabilities</b>				
At amortised cost:				
Trade payables	2,759	2,570	2	-
Other payables	6,667	5,184	13	23
Bank loans	5,593	6,050	-	-
Lease liabilities	16,547	14,804	-	-
Total	<u>31,566</u>	<u>28,608</u>	<u>15</u>	<u>23</u>
Financial guarantee contracts	-	-	134	147

**6. Profit/(loss) before taxation**

**6.1 Significant items**

	Group		
	6 months ended 30 September		Increase/ (decrease)
	2022 S\$'000	2021 S\$'000	%
<b>Income</b>			
Government grants:			
- Jobs Support Scheme	16	2,113	(99.2)
- Rent concession granted for lease component	-	630	(100.0)
- Rent concession granted for non-lease component	-	183	(100.0)
- Other government grants	180	178	1.1
Dividend income from an unquoted equity	63	-	N.M.
Rent concessions from landlords			
- Rent concessions granted for lease component	34	618	(94.5)
- Rent concessions granted for non-lease component	-	32	(100.0)
Interest income from:			
- Cash at bank and short-term deposits	10	1	>100%
Gain on foreign exchange	-	13	(100.0)
<b>Expenses</b>			
Interest expenses on:			
- Bank loans	(79)	(48)	64.6
- Shareholders' loans	(16)	(16)	-
- Lease liabilities	(182)	(148)	23.0
Depreciation of property, plant and equipment	(1,190)	(892)	33.4
Depreciation of right-of-use assets	(3,294)	(4,060)	(18.9)
Write-off of property, plant and equipment	(16)	(3)	>100%
Loss on disposal of property, plant and equipment	-	(4)	(100.0)
Loss on early termination of leases	-	(38)	(100.0)
Loss on foreign exchange	(1)	-	N.M.
Rental expenses - operating leases	(1,591)	(1,235)	28.8
Staff costs	(12,242)	(9,818)	24.7
Withholding tax	(7)	(5)	40.0

N.M. : percentage not meaningful.

E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)

6. Profit/(loss) before taxation (Continued)

6.2 Related party transactions

	Group 6 months ended 30 September	
	2022 S\$'000	2021 S\$'000
<u>With corporate shareholder of certain subsidiary</u>		
Sales of food and beverages	22	13
<u>With corporate shareholders of the Company</u>		
Sale of food and beverages	684	517
Purchase of food, beverages and services	602	449
Rental expenses	702	308
Payment of principal portion of lease liabilities	921	688
Interest paid in relation to lease liabilities	34	18
<u>With a shareholder of the Company</u>		
Recovery of expenses from a shareholder	-	122
<u>Compensation of key management personnel</u>		
Short-term employee benefits	780	668
Central Provident Fund Contributions	71	54
Total	851	722
Comprise amounts paid to:		
Directors of the Company	385	347
Other key management personnel	466	375
Total	851	722

7. Income tax (expense)/benefit

The Group calculates the period income tax (expense)/benefit using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax (expense)/benefit in the condensed interim consolidated statement of profit or loss are:

	Group 6 months ended 30 September	
	2022 S\$'000	2021 S\$'000
<b>Current income tax</b>		
- Current year	-	(1)
- (Under)/over provision in respect of prior years	(5)	7
	(5)	6
<b>Deferred income tax</b>		
- Origination and reversal of temporary differences	(42)	125
	(42)	125
	(47)	131

8. Net asset value

(Singapore cents)	Group		Company	
	30 Sep 22	31 Mar 22	30 Sep 22	31 Mar 22
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the period reported on	4.63	4.26	6.67	6.66

**E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)**

**9. Property, plant and equipment**

During the six months ended 30 September 2022, the Group acquired plant and equipment amounting to S\$2,849,000 (30 September 2021: S\$952,000) as well as disposed and written off plant and equipment (mainly due to closure of outlets during the reporting period) amounting to S\$1,204,000 (30 September 2021: S\$1,919,000) with net carrying amount of S\$16,000 (30 September 2021: S\$18,000).

**10. Right-of-use assets and lease liabilities**

During the six months ended 30 September 2022, the Group had non-cash additions to right-of-use assets and lease liabilities of S\$4,925,000 and S\$4,862,000 (HY22: S\$1,998,000 and S\$1,976,000) respectively.

The carrying amounts of lease liabilities are disclosed as below:

	Group	
	30 Sep 22	31 Mar 22
	S\$'000	S\$'000
Current	6,097	5,390
Non-current	10,450	9,414

The above lease liabilities included finance lease payable of \$347,000 (FY22: S\$188,000) which are secured over motor vehicles.

Finance leases

Finance lease payable has been disclosed as "Lease Liabilities" in the Condensed Interim Statements Of Financial Position as at 30 September 2022 and 31 March 2022 pursuant to SFRS(I) 16 Leases.

	Group	
	30 Sep 22	31 Mar 22
	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	125	91
Unsecured	-	-
	125	91
<u>Amount repayable after one year</u>		
Secured	222	97
Unsecured	-	-
	222	97

**11. Bank loans**

	Group	
	30 Sep 22	31 Mar 22
	S\$'000	S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	1,284	1,037
Unsecured	-	-
	1,284	1,037
<u>Amount repayable after one year</u>		
Secured	4,309	5,013
Unsecured	-	-
	4,309	5,013

**Details of any collateral**

As at balance sheet date, the total borrowings of the Group are secured by way of:

1. A charge over the leasehold property of a subsidiary situated at No 20, Bukit Batok Crescent #11-05 to 09/18 Enterprise Centre Singapore 658080; and
2. Corporate guarantees issued by the Company.

**E. Notes To The Condensed Interim Consolidated Financial Statements (Continued)**

**12. Share Capital**

	<b>Group and Company</b>			
	<b>30 Sep 22</b>	<b>31 Mar 22</b>	<b>30 Sep 22</b>	<b>31 Mar 22</b>
	<b>Number of ordinary shares</b>		<b>\$</b>	<b>\$</b>
Issued and paid up	<u>274,400,000</u>	<u>274,400,000</u>	<u>28,450,434</u>	<u>28,450,434</u>

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 30 September 2022 and 31 March 2022.

There have been no changes in the Company's issued share capital since the end of the previous financial period reported on being 31 March 2022.

There were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings during the current financial period reported on.

**13. Events occurring after the reporting period**

There are no known subsequent events (after 30 September 2022) which have led to adjustments to this set of interim financial statements.

As announced by the Company on 3 October 2022 and 7 November 2022, the Company's subsidiaries, Tung Lok Arena Pte Ltd, Shin Yeh Restaurant Pte. Ltd. and Slappy Cakes (Singapore) Pte. Ltd., had been struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 subsequent to the current reporting period.

**F. Other Information Required By Appendix 7C Of The Catalyst Rules**

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

The condensed interim statements of financial position of Tung Lok Restaurants (2000) Limited and its subsidiaries as at 30 September 2022 and the related condensed interim consolidated income statement and statement of comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and explanatory notes have not been audited or reviewed.

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

Not applicable.

**3. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not applicable as the Company's latest audited financial statements for the financial year ended 31 March 2022 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

**4. 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 affecting turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

Revenue

Restaurant revenue for the six-month period ended 30 September 2021 ("HY22") was adversely affected by 55 days of dine-in prohibition as well as the control of dining group to 2 or 5 per table (where applicable). With the lifting of most safe management measures since 26 April 2022 in Singapore, restaurant revenue for the six-month period ended 30 September 2022 ("HY23") improved compared to HY22 amid the increase in restaurants' capacities and occupancy rates.

The Group's revenue increased by S\$18.8 million (92.4%) to S\$39.1 million in HY23 compared to S\$20.3 million in HY22 mainly due to:

- a) S\$16.1 million higher revenue contribution from existing outlets;
- b) S\$3.3 million higher revenue contribution from 3 rebranded outlets and 3 new outlets which opened in HY23; and
- c) S\$1.0 million higher revenue contribution from catering business.

This is partially offset by S\$1.6 million loss of revenue contribution from 6 outlets which were closed during the financial year ended 31 March 2022 ("FY22").

Gross profit margin

Gross profit increased by S\$14.0 million (>100%) to S\$28.0 million in HY23 from S\$14.0 million in HY22, in tandem with the higher revenue. Gross profit margin increased by 2.8 percentage points to 71.6% from 68.8% due to upward adjustment to menu prices during HY23 as a result of increased operating costs.

Other operating income

Other operating income decreased by S\$3.4 million (78.0%) to S\$0.9 million in HY23 from S\$4.3 million in HY22 mainly due to lower rebates and subsidies received from the following:

- (i) S\$2.1 million lower Jobs Support Scheme ("JSS") grants; and
- (ii) S\$1.4 million lower rent concessions from Singapore Government and landlords.

This is partially offset by S\$0.1 million dividend received from an unquoted equity in HY23.

Administrative expenses

Administrative expenses, mainly manpower-related expenses, increased by S\$3.8 million (35.6%) to S\$14.6 million in HY23 from S\$10.8 million in HY22 due to higher staff incentives provided in HY23 to improve staff retention as well as increase in headcount by 35 which was in tandem with the higher revenue and the opening of new outlets during HY23.



**F. Other Information Required By Appendix 7C Of The Catalyst Rules (Continued)**

**4. 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:- (continued)**

**(a) any significant factors affecting turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (continued)**

Other operating expenses

In tandem with the higher revenue and increased business volume in HY23, other operating expenses increased by S\$1.5 million (13.2%) to S\$12.6 million in HY23 from S\$11.1 million in HY22. The operating expenses which had increased in HY23 include upkeep and cleaning expenses (S\$0.4 million increase), utilities expenses (S\$0.4 million increase), depreciation of property, plant and equipment (S\$0.3 million increase), credit card commission (S\$0.2 million increase) and repair and maintenance (S\$0.1 million increase).

Share of profits/(losses) of associates

Share of profits of associates of S\$80,000 in HY23 compared to share of losses of associates of S\$7,000 in HY22 due to higher royalties income received by an associate in HY23.

Income tax (expense)/benefit

Income tax expense of S\$47,000 was recorded in HY23 instead of income tax benefit of S\$131,000 in HY22 due to reversal of deferred tax assets consequent to profits recorded in HY23.

Profit/(loss) attributable to Owners of the Company

Inflationary pressures have driven food, manpower and other operating costs higher in HY23. With the various cost-cutting measures and digital initiatives (such as mobile ordering systems and robot waiters) implemented by the Group during the pandemic, the Group was able to maintain full operations and attain revenue maximisation with reduced headcount per outlet as the business volume in HY23 improved amid the lifting of COVID-19 safe management measures. As a result of the recovering food and beverage industry and leaner cost structure, the Group recorded a profit attributable to the Owners of Company amounting to S\$1.0 million in HY23 compared to a loss of S\$3.4 million in HY22 despite the cessation of financial supports extended by the Singapore Government and landlords (including Jobs Support Scheme and rent concessions).

**(b) any material factors affecting cash flow, working capital, assets or liabilities of the group during the current period reported on**

Cash and bank balances

Increase in cash and bank balances at Group level was mainly due to S\$6.7 million operational cash inflow, but partially offset by:

- (a) S\$3.1 million repayment of lease obligations;
- (b) S\$2.8 million cash outlays to acquire plant and equipment consequent to the rebranding of existing and opening of new outlets;
- (c) S\$0.5 million repayment of bank borrowings; and
- (d) S\$0.3 million repayment of share capital to non-controlling interests of subsidiaries.

Trade receivables

Increase in trade receivables at Group level was mainly due to higher credit sales from catering events and mooncake sales during the month of September 2022.

Other receivables and prepayments (current)

Increase in other receivables and prepayments (current) at Group level was mainly due to S\$0.4 million higher government grant receivables related to certain digital initiatives undertaken by the Group.

Inventories

Increase in inventories at Group level was in line with the increase in business volume and revenue amid the ease of COVID-19 safe management measures in HY23.

Associates

Increase in associates at Group level was mainly due to share of profits of associates amounting to S\$80,000 in HY23.

Deferred tax assets

Decrease in deferred tax assets at Group level was due to reversal of deferred tax assets consequent to profits recorded in HY23.

**F. Other Information Required By Appendix 7C Of The Catalyst Rules (Continued)**

**4. 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:- (continued)**

**(b) any material factors affecting cash flow, working capital, assets or liabilities of the group during the current period reported on (continued)**

Right-of-use assets

Increase in right-of-use assets at Group level was mainly due to addition of right-of-use assets amounting to S\$4.9 million but partially offset by S\$3.3 million depreciation charge in HY23.

Property, plant and equipment

Increase in property, plant and equipment at Group level was mainly due to acquisition of plant and equipment for existing and new outlets amounting to S\$2.8 million but partially offset by depreciation charge of S\$1.2 million during HY23.

Trade payables

Increase in trade payables at Group level was in line with higher revenue during HY23.

Other payables (current)

Increase in other payables (current) at Group level was mainly due to S\$1.0 million increase in staff-related accrued expenses, S\$0.4 million increase in operational-related accrued expenses, S\$0.2 million increase in deferred revenue and S\$0.1 million increase in refundable deposits collected from customers in HY23 which were in tandem with the increased revenue and business volume in HY23.

Other payables (non-current)

Increase in other payables (non-current) at Group level was mainly due to S\$0.1 million provision of reinstatement costs relating to new outlets opened in HY23.

Lease liabilities

Increase in lease liabilities at Group level was mainly due to S\$4.9 million addition of lease liabilities but partially offset by S\$3.1 million settlement of lease obligations in HY23.

Bank loans

Decrease in bank loans at Group level was mainly due to loan repayments of S\$0.5 million during HY23.

Non-controlling interests

Increase in non-controlling interests at Group level was mainly due to share of profits of S\$0.4 million associated with non wholly-owned subsidiaries during HY23, but partially offset by S\$0.3 million return of share capital to non-controlling interests in subsidiaries which had been struck off.

Total assets

Total assets of the Group increased by S\$4.4 million (10.5%) to S\$46.4 million as at 30 September 2022 from S\$42.0 million as at 31 March 2022 mainly due to:

- (i) increase in right-of-use assets of S\$1.6 million;
- (ii) increase in property, plant and equipment of S\$1.6 million;
- (iii) increase in trade, other receivables and prepayments of S\$0.9 million;
- (iv) increase in inventories of S\$0.2 million; and
- (vi) increase in cash and bank balances of S\$0.1 million.

Total liabilities

Total liabilities of the Group increased by S\$3.3 million (10.4%) to S\$35.1 million as at 30 September 2022 from S\$31.8 million as at 31 March 2022 mainly due to the following:

- (i) increase in trade and other payables of S\$2.0 million; and
- (ii) increase in lease liabilities of S\$1.7 million.

This was partially offset by decrease in bank borrowings of S\$0.5 million.

**F. Other Information Required By Appendix 7C Of The Catalyst Rules (Continued)**

**4. 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:- (continued)**

**(b) any material factors affecting cash flow, working capital, assets or liabilities of the group during the current period reported on (continued)**

Cash flow

The Group's **operational cashflow** recorded a net inflow of S\$6.7 million in HY23 compared to net outflow of S\$1.6 million in HY22. The increase was mainly due to higher revenue generated during HY23 amid the ease of COVID-19 safe management measures.

The Group's **investing cashflow** recorded a net outflow of S\$3.0 million in HY23 compared to S\$0.9 million in HY22. The increase was mainly due to increase in acquisitions of plant and equipment for rebranding of existing and opening of new outlets as well as return of share capital to non-controlling interests in subsidiaries during HY23.

The Group's **financing cashflow** recorded a net outflow of S\$3.6 million in HY23 compared to S\$3.1 million in HY22. The increase was mainly due to higher repayment of bank loans and lease liabilities.

Overall, the Group's cash position increased by S\$0.1 million to S\$13.0 million in HY23 from S\$12.9 million in FY22.

Working capital

The Group's net working capital decreased by S\$1.7 million to S\$2.6 million as at 30 September 2022 from S\$4.3 million as at 31 March 2022 despite higher operating cash generated due to increase in acquisitions of plant and equipment for rebranding of existing and opening of new outlets.

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

On 26 October 2022, the Company had released a profit guidance announcement that it expected to record a net profit for the six-month period ended 30 September 2022 ("HY23"). The Group's financial results for HY23 is in line with the profit guidance issued.

**6. 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.**

During the half year ended 30 September 2022, the Group's operations have shown positive signs of recovery with increased footfall and sale volume following the reopening of borders and the lifting of COVID-19 safe management measures.

While business momentum has picked up, the Group is cognizant of the challenges posed by rising raw material costs, tight labour conditions as well as the evolving geopolitical climate. The Group therefore expects the operating environment of the food and beverage ("F&B") industry to remain challenging in the next 12 months.

The Group will leverage on its current F&B footprint and industry experience of more than 3 decades so as to grow revenue streams while improving internal efficiencies even further, as outlined in its announcement dated 26 October 2022 (*Corporate and Business Update/Profit Guidance for the six-month financial period ended 30 September 2022*).

**F. Other Information Required By Appendix 7C Of The Catalist Rules (Continued)**

**7. If a decision regarding dividend has been made:-**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended):**

Nil

**(b)(i) Amount per share:**

Nil

**(b)(ii) Previous corresponding period:**

Nil

**(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 shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

**8. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

There is no dividend declared or recommended for HY23 so as to maintain sufficient liquidity to support our working capital requirements.

F. Other Information Required By Appendix 7C Of The Catalist Rules (Continued)

9. If the group has obtained a general mandate from shareholders for interested person transactions ("IPTs"), the aggregate value of such transactions as required under Catalist Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of Interested Persons and Transactions	Nature of relationship	Aggregate value of all interested persons transaction during the period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		HY23	HY22	HY23	HY22
		Apr 21-Sep 21	Apr 20-Sep 20	Apr 21-Sep 21	Apr 20-Sep 20
		S\$'000	S\$'000	S\$'000	S\$'000
<b>T&amp;T Gourmet Cuisine Pte Ltd</b>	Dr. Goi Seng Hui is a controlling shareholder of the Company as he is deemed to be interested in the 53,531,280 shares of the Company held by Tee Yih Jia Food Manufacturing Pte Ltd by virtue of Section 7 of the Companies Act 1967.  T & T Gourment Cuisine Pte Ltd and Chinatown Food Corporation Pte Ltd are subsidiaries of Tee Yih Jia Food Manufacturing Pte Ltd and therefore considered as associates of Dr. Goi Seng Hui.				
(i) Tung Lok Group - Purchase of food items from T&T Gourmet Cuisine Pte Ltd		-	-	70	37
(ii) Tung Lok Group - Purchase of mooncakes from T&T Gourmet Cuisine Pte Ltd		-	-	367	365
<b>Tee Yih Jia Food Manufacturing Pte Ltd</b>					
(i) Tung Lok Group - Purchase of food items from Tee Yih Jia Food Manufacturing Pte Ltd		-	-	55	35
<b>Chinatown Food Corporation Pte Ltd</b>					
(i) Tung Lok Group - Purchase of food items from Chinatown Food Corporation Pte Ltd		-	-	25	12
<b>Goodview Properties Pte Ltd and its associates</b>	Goodview Properties Pte Ltd (" <b>Goodview Properties</b> ") is a controlling shareholder of the Company which has a direct interest in 54,015,780 shares of the Company.  The Estate of Ng Teng Fong (" <b>ENTF</b> ") is a controlling shareholder of the Company as he is deemed to be interested in the 54,015,780 shares of the Company held by Goodview Properties by virtue of Section 7 of the Companies Act 1967.  Mr Ng Chee Tat Philip is a controlling shareholder of the Company as he is a beneficiary of ENTFF.  As explained in the Company's announcements dated 30 June 2021, 13 August 2021, 17 September 2021, 15 April 2022 and 30 August 2022, Novena Point Pte Ltd., Riverhub Pte Ltd and Orchard Central Pte. Ltd. are considered associates of Goodview Properties, ENTFF and/or Mr Ng Chee Tat Philip.				
(i) Tung Lok Group - Sale of catering food and services to hotels related to a substantial shareholder		-	80	-	-
(ii) Novena Point Pte. Ltd. *		914	-	-	-
(iii) Riverhub Pte Ltd *		1,867	474	-	-
(iv) Orchard Central Pte. Ltd. *		-	1,494	-	-

Note:

\* These refer to IPTs that are categorised as transactions under Catalist Rule 916(1), which are in connection with leases of certain commercial units owned by related companies of our controlling shareholder, Goodview Properties Pte. Ltd. Please refer to the Company's announcements dated 30 June 2021, 13 August 2021, 17 September 2021, 15 April 2022 and 30 August 2022.

**F. Other Information Required By Appendix 7C Of The Catalist Rules (Continued)**

**10. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7(H) under Catalist Rule 720(1)).**

The Company confirms that the undertakings from all its directors and executive officers (in the format set out in Appendix 7(H) pursuant to Catalist Rule 720(1) have been procured.

**11 Disclosure on acquisition or sale of shares pursuant to Rule 706A of the Catalist Rules.**

Not applicable. There were no such acquisition or disposal of shares during HY2023.

**12 Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use.**

**Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must have been disclosed.**

Not applicable.

**BY ORDER OF THE BOARD**

**Tjioe Ka Men**

President/Chief Executive Officer  
9 November 2022

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**TUNG LOK RESTAURANTS (2000) LTD  
CATALIST RULE 705(5) – NEGATIVE ASSURANCE CONFIRMATION**

**Confirmation by the Board of Directors**

Pursuant to Catalist Rule 705(5), we, Tjioe Ka Men and Tjioe Ka In, being two Directors of Tung Lok Restaurants (2000) Ltd (the “**Company**”), do hereby confirm on behalf of the Board of Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the Group’s unaudited interim financial statements for the period from 1 April 2022 to 30 September 2022 to be false or misleading in any material aspect.

**Tjioe Ka Men**

President/Chief Executive Officer

9 November 2022

**Tjioe Ka In**

Executive Director