

TUNG LOK RESTAURANTS (2000) LTD**Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017**

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SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL-YEAR RESULTS

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

	Group		Increase/ (decrease) %
	FY 2017 Apr 16 - Mar 17 S\$'000	FY 2016 Apr 15 - Mar 16 S\$'000	
Revenue	85,060	86,065	(1.2)
Cost of sales	(23,884)	(23,934)	(0.2)
Gross profit	<u>61,176</u>	<u>62,131</u>	(1.5)
<i>Gross profit margin</i>	71.9%	72.2%	(0.3) percentage points
Other operating income	2,599	3,065	(15.2)
Administrative expenses	(30,281)	(31,492)	(3.8)
Other operating expenses	(33,576)	(33,443)	0.4
Share of profit of joint venture	345	286	20.6
Share of profit of associates	256	-	N.M
Finance costs	(204)	(247)	(17.4)
Profit before tax	<u>315</u>	<u>300</u>	5.0
Income tax benefits	170	682	(75.1)
Profit for the year	<u><u>485</u></u>	<u><u>982</u></u>	(50.6)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations representing other comprehensive income for the year, net of tax	106	207	(48.8)
Total comprehensive income for the year	<u><u>591</u></u>	<u><u>1,189</u></u>	(50.3)
Profit attributable to:			
Owners of the company	422	611	(30.9)
Non-controlling interests	63	371	(83.0)
	<u><u>485</u></u>	<u><u>982</u></u>	(50.6)
Total comprehensive profit attributable to:			
Owners of the company	503	772	(34.8)
Non-controlling interests	88	417	(78.9)
	<u><u>591</u></u>	<u><u>1,189</u></u>	(50.3)

NM : percentage not meaningful.

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Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017



1(a)(ii) Notes to the Income Statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

	Group		Increase/ (decrease) %
	FY 2017 Apr 16 - Mar 17 S\$'000	FY 2016 Apr 15 - Mar 16 S\$'000	
Profit for the year includes the following (charges)/credits:			
Government grants/credits	618	1,078	(42.7)
Interest income	57	47	21.3
Interest expenses on:			
- Bank loans	(78)	(138)	(43.5)
- Obligations under finance leases	(30)	(31)	(3.2)
- Shareholders' loans	(96)	(78)	23.1
Depreciation of property, plant and equipment	(4,478)	(4,388)	2.1
Dividend income from available-for-sale investment	82	69	18.8
Gain on disposal of property, plant and equipment	7	-	N.M.
Write off of property, plant and equipment	(11)	(24)	(54.2)
Loss on foreign exchange	(107)	(148)	(27.7)
Allowance for doubtful debts-trade receivables	(37)	(77)	(51.9)
Allowance for doubtful debts-non-trade receivables	-	(33)	N.M.
Rental expenses - operating leases	(13,449)	(12,867)	4.5
Staff costs	(26,591)	(26,858)	(1.0)
Current tax benefit	188	302	(37.7)
Deferred tax benefit	(6)	336	N.M.
Over/(under) provision in preceding financial years for			
- Current tax	2	44	(95.5)
- Deferred tax	(14)	-	N.M.

NM : percentage not meaningful.

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Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017


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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		Note	Company		Note
	31 Mar 17 S\$'000	31 Mar 16 S\$'000		31 Mar 17 S\$'000	31 Mar 16 S\$'000	
ASSETS						
Current assets:						
Cash and bank balances	15,041	14,025	1	3,326	3,321	
Trade receivables	1,279	1,784	2	-	-	
Other receivables and prepayments	1,288	1,153	3	8	78	4
Inventories	1,839	2,285	5	-	-	
Total current assets	19,447	19,247		3,334	3,399	
Non-current assets:						
Other receivables and prepayments	441	900	6	-	-	
Long-term security deposits	1,737	1,625	7	-	-	
Available-for-sale investment	-	16		-	-	
Interests in subsidiaries	-	-		16,488	16,566	
Associates	833	716	8	-	-	
Joint venture	697	1,077	9	-	-	
Deferred tax assets	299	318		-	-	
Property, plant and equipment	10,010	12,052	10	-	-	
Total non-current assets	14,017	16,704		16,488	16,566	
Total assets	33,464	35,951		19,822	19,965	
LIABILITIES AND EQUITY						
Current liabilities:						
Trade payables	2,980	3,363	11	-	-	
Other payables	7,001	9,111	12	415	563	13
Finance leases	234	214	14a	-	-	
Bank loans	558	538	15a	-	-	
Income tax payable	49	21		-	-	
Total current liabilities	10,822	13,247		415	563	
Net current assets	8,625	6,000		2,919	2,836	
Non-current liabilities:						
Other payables	4,232	4,217		-	-	
Finance leases	382	432	14b	-	-	
Bank loans	2,176	2,738	15b	-	-	
Total non-current liabilities	6,790	7,387		-	-	
Total liabilities	17,612	20,634		415	563	
Capital, reserves and non-controlling interests:						
Share capital	28,450	28,450		28,450	28,450	
Currency translation reserve/(deficit)	32	(49)		-	-	
Accumulated losses	(11,207)	(11,629)		(9,043)	(9,048)	
Equity attributable to owners of the company	17,275	16,772		19,407	19,402	
Non-controlling interests	(1,423)	(1,455)		-	-	
Net equity	15,852	15,317		19,407	19,402	
Total liabilities and equity	33,464	35,951		19,822	19,965	

TUNG LOK RESTAURANTS (2000) LTD

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017

1(b)(i) Statement of Financial Position (continued)

NOTE: EXPLANATION OF THE FINANCIAL YEAR 2017 (FY17) VS FINANCIAL YEAR 2016 (FY16)

1) Increase in cash and bank balances was mainly due to the following:

- (a) operational cash inflow of S\$2.3 million;
- (b) S\$0.9 million dividends received from joint venture, an associate and available-for-sale investment;
- (c) S\$0.3 million advance from non-controlling interest in a subsidiary; and
- (d) S\$0.3 million loan repayment from an associate.

The increase was partially offset by S\$1.9 million in cash outlays to acquire plant and equipment, S\$0.8 million repayment of bank borrowings and finance leases and S\$0.1 million in dividends paid to non-controlling interests in subsidiaries.

2) Decrease in trade receivables was mainly due to improvement in receivable turnover days.

3) Increase in other receivables and prepayments (current) at Group level was mainly due to higher government grant receivables of S\$0.2 million and prepayment for food purchase of S\$0.2 million but offset by repayment of loan from an associate of S\$0.3 million.

4) Decrease in other receivables and prepayments (current) at Company level was mainly due to absence of dividend receivable from a subsidiary during FY17.

5) Decrease in inventories was mainly due to improvement in inventory turnover days.

6) Decrease in other receivables and prepayments (non-current) at Group level was mainly due to lower advance payment for capital expenditure amounting to S\$0.4 million which had been capitalised and included as part of property, plant and equipment during FY17.

7) Increase in long-term security deposits was mainly due to additional rental deposits for renewed leases.

8) Increase in associates was mainly due to share of profit of associates amounting to S\$0.3 million offset by dividend received of S\$0.2 million during FY17.

9) Decrease in joint venture was mainly due to dividend of S\$0.7 million received offset by share of profit amounting to S\$0.3 million during FY17.

10) Decrease in property, plant and equipment was mainly due to S\$4.5 million depreciation charge during FY17, offset by acquisition of plant and equipment for refurbishment of existing outlets and opening of an outlet amounting to S\$2.5 million (of which S\$0.4 million was transferred from advance payment for capital expenditure incurred in FY16).

11) Decrease in trade payables was mainly due to improvement in creditor turnover days.

12) Decrease in other payables (current) at Group level was mainly due to decrease in staff-related accrued expenses of S\$1.2 million and decrease in deferred revenue of S\$0.9 million.

13) Decrease in other payables at Company level was mainly due to fair value adjustment on financial guarantees of S\$48,000 and decrease in accrual of directors' fees of S\$0.1 million.

14(a)&(b) Decrease in finance leases was mainly due to repayment of S\$228,000 offset by new finance leases of S\$198,000 during FY17.

15(a)&(b) Decrease in bank borrowings was due to loan repayments of S\$0.5 million during FY17.

Total assets of the Group decreased by S\$2.5 million (6.9%) to S\$33.5 million as at 31 March 2017 from S\$36.0 million as at 31 March 2016 mainly due to the following:

(i) decrease in plant and equipment of S\$2.0 million;

(ii) decrease in trade and other receivables of S\$0.8 million;

(iii) decrease in inventories of S\$0.4 million; and

(iv) decrease in net assets of joint venture of S\$0.4 million.

The decrease in total assets was partially offset by increase in cash and bank balances of S\$1.0 million, increase in long-term security deposit of S\$0.1 million and increase in investment of associates of S\$0.1 million.

Total liabilities of the Group decreased by S\$3.0 million (14.6%) to S\$17.6 million as at 31 March 2017 from S\$20.6 million as at 31 March 2016 mainly due to the following:

(i) repayment of bank borrowings amounting to S\$0.5 million; and

(ii) decrease in trade and other payables amounting to S\$2.5 million.

The Group's net working capital improved by S\$2.6 million to S\$8.6 million as at 31 March 2017 from S\$6.0 million as at 31 March 2016 due to net cash inflow generated from operating activities amounting to S\$2.3 million.

TUNG LOK RESTAURANTS (2000) LTD**Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017****1(b)(ii) Aggregate amount of group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

As at 31 Mar 2017 (S\$'000)		As at 31 Mar 2016 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
792	-	752	-

Amount repayable after one year

As at 31 Mar 2017 (S\$'000)		As at 31 Mar 2016 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
2,558	-	3,170	-

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;
2. Plant and equipment under finance leases; and
3. Corporate guarantees issued by the Company.



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TUNG LOK RESTAURANTS (2000) LTD**Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017****1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Apr 16 - Mar 17 S\$'000	Apr 15 - Mar 16 S\$'000
Operating activities:		
Profit before tax	315	300
Adjustments for:		
Allowance for doubtful debts	37	110
Share of profit of joint venture	(345)	(286)
Share of profit of associates	(256)	-
Depreciation of property, plant and equipment	4,478	4,388
Interest income	(57)	(47)
Finance costs	204	247
Dividend income from an available-for-sale investment	(82)	(69)
Gain on disposal of property, plant and equipment	(7)	-
Write off of property, plant and equipment	11	24
Foreign exchange loss	107	148
Operating cash flows before movements in working capital	<u>4,405</u>	<u>4,815</u>
Changes in working capital:		
Decrease in trade receivables	467	331
Increase in other receivables and prepayments	(235)	(490)
Decrease in inventories	443	37
Increase in long-term security deposits	(119)	(143)
Decrease in trade payables	(364)	(198)
Decrease in other payables	(2,348)	(171)
Cash flows from operations	<u>2,249</u>	<u>4,181</u>
Interest paid	(109)	(162)
Interest received	31	22
Net income tax refund	157	447
Net cash flows from operating activities	<u>2,328</u>	<u>4,488</u>
Investing activities		
Dividend received from available-for-sale investment	82	69
Proceeds from disposal of property, plant and equipment	7	-
Purchase of property, plant and equipment (Note A)	(1,903)	(2,600)
Advance payment for capital expenditures (Note A)	(7)	(365)
Loan repayment received from an associate	275	-
Dividend received from joint venture	725	-
Dividend received from an associate	136	-
Net cash flows used in investing activities	<u>(685)</u>	<u>(2,896)</u>



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TUNG LOK RESTAURANTS (2000) LTD**Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017****Financing activities**

Advances from non-controlling interest in a subsidiary	357	25
Dividends paid to non-controlling interests in subsidiaries (Note B)	(147)	(507)
Repayment of loan from a corporate shareholder	(44)	(133)
Repayment of loan to non-controlling interest in a subsidiary	(10)	-
Repayment of bank loans	(542)	(1,973)
Repayment of obligations under finance leases	(228)	(230)
Net cash flows used in financing activities	(614)	(2,818)
Net increase/(decrease) in cash and bank balances	1,029	(1,226)
Cash and bank balances at beginning of the financial year	14,025	15,254
Effect of foreign exchange rate changes	(13)	(3)
Cash and bank balances at end of the financial year	15,041	14,025

Note A

During the financial year, the Group recorded new property, plant and equipment with aggregate costs of S\$2,470,000 (FY16: S\$2,573,000) comprised of the following:

- 1) acquisition of property, plant and equipment with an aggregate cost of S\$2,105,000 (FY16: S\$2,573,000), of which S\$8,000 (FY16: S\$106,000) relates to provision for reinstatement costs of premises, S\$198,000 (FY16: S\$296,000) was acquired under finance lease arrangements and S\$30,000 (FY16: S\$34,000) remained unpaid at the end of the reporting period; and
- 2) advance payment for capital expenditures amounting to S\$365,000 incurred as at FY16 which has been capitalised as property, plant and equipment during the financial year. In addition, a payment of S\$7,000 was made for advance for capital expenditure in FY17.

Consequently, cash payments of S\$1,903,000 (FY16: S\$2,600,000) were made to purchase property, plant and equipment during the financial year.

Note B

During the financial year, the Group declared dividends amounting to S\$117,000 (FY16: S\$265,000) to non-controlling interests in subsidiaries of which S\$ Nil (FY16: S\$30,000) remained unpaid at the end of the reporting period.



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TUNG LOK RESTAURANTS (2000) LTD

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017

1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) 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.

	GROUP					
	Share capital S\$'000	Currency translation (deficit)/ reserve S\$'000	Accumulated losses S\$'000	Attributable to equity owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
At 1 April 2015	28,450	(210)	(12,240)	16,000	(1,845)	14,155
Profit for the year	-	-	611	611	371	982
<u>Other comprehensive income</u>						
Foreign currency translation representing other comprehensive loss for the year, net of tax	-	161	-	161	46	207
Total comprehensive income for the year, net of tax	-	161	611	772	417	1,189
<u>Contribution by and distributions to owners</u>						
Dividends paid to non-controlling interests in subsidiaries	-	-	-	-	(265)	(265)
Fair value adjustment on interest-free loans from non-controlling interests in subsidiaries	-	-	-	-	238	238
Total transactions with owners in their capacity as owners	-	-	-	-	(27)	(27)
At 31 March 2016 and 1 April 2016	28,450	(49)	(11,629)	16,772	(1,455)	15,317
Profit for the year	-	-	422	422	63	485
<u>Other comprehensive income</u>						
Foreign currency translation representing other comprehensive income for the year, net of tax	-	81	-	81	25	106
Total comprehensive income for the year, net of tax	-	81	422	503	88	591
<u>Contribution by and distributions to owners</u>						
Dividends paid to non-controlling interests in subsidiaries	-	-	-	-	(117)	(117)
Fair value adjustment on interest-free loans from non-controlling interests in subsidiaries	-	-	-	-	61	61
Total transactions with owners in their capacity as owners	-	-	-	-	(56)	(56)
At 31 March 2017	28,450	32	(11,207)	17,275	(1,423)	15,852

TUNG LOK RESTAURANTS (2000) LTD

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017



	Share capital S\$'000	COMPANY Accumulated losses S\$'000	Total S\$'000
At 1 April 2015	28,450	(9,147)	19,303
Profit for the year, representing total comprehensive income for the year	-	99	99
At 31 March 2016 and 1 April 2016	28,450	(9,048)	19,402
Profit for the year, representing total comprehensive income for the year	-	5	5
At 31 March 2017	28,450	(9,043)	19,407

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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issue, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

On 25 August 2014, the Company issued 78,400,000 new ordinary shares in the issued and paid-up share capital of the Company pursuant to a renounceable and non-underwritten rights issue of up to 78,400,000 new ordinary shares ("**Rights Shares**") in the issued share capital of the Company ("**Rights Issue**") at an issue price of S\$0.12 for each Rights Share on the basis of two (2) Rights Shares for every five (5) existing shares then held by shareholders as based on the terms and conditions of the Offer Information Statement dated 29 July 2014 issued by the Company. Net proceeds of S\$9.3 million were raised from the Rights Issue.

The Company refers to the announcement dated 1 October 2014 and 25 August 2015, the net proceeds raised from the Rights Issue has been utilised by way of grant of loans amounting to S\$6.0 million to a wholly owned subsidiary to provide additional working capital to repay its trade owings and monthly bank indebtedness as well as to finance the set-up of one outlet and renovation of two existing outlets in Singapore. The unutilised net proceeds from Rights Issue approximates S\$3.3 million as at 31 March 2017.

There have been no changes in the Company's issued share capital since the end of the previous financial period reported on being 30 September 2016.

There are no outstanding convertibles, treasury shares and subsidiary holdings as at the end of the financial year ended 31 March 2017 and 31 March 2016.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31 Mar 17	31 Mar 16
Total number of issued shares excluding treasury shares	274,400,000	274,400,000

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

The Company does not have any treasury shares.

TUNG LOK RESTAURANTS (2000) LTD**Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017****1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

The Company does not have any subsidiary holdings.

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 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 under paragraph 5 below, the Group has applied the same accounting policies and methods of computation as in the most recently audited annual financial statements.

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 has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited annual financial statements for the year ended 31 March 2016, except for the adoption of new and revised Financial Reporting Standards (FRS) which are effective for financial periods beginning on or after 1 April 2016.

The adoption of the new or revised standards from the effective date did not result in material adjustments to the financial position, results of operations or cash flows for the year ended 31 March 2017 and did not have significant impact on the financial statements of the Group.

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:-

	FY 2017 Apr 16 - Mar 17	FY 2016 Apr 15 - Mar 16
Earnings per ordinary share for the period after deducting any provision for preference dividends:		
(a) Based on the weighted average number of ordinary shares on issue	0.15 cents	0.22 cents
(b) On a fully diluted basis	0.15 cents	0.22 cents
Weighted average number of ordinary shares	274,400,000	274,400,000

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital 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	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Mar 16
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	6.30 cents	6.11 cents	7.07 cents	7.07 cents

**TUNG LOK RESTAURANTS (2000) LTD****Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017**

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

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

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

Revenue

Revenue for the financial year ended 31 March 2017 ("FY17") declined by S\$1.0 million (1.2%) to S\$85.1 million from S\$86.1 million for the financial year ended 31 March 2016 ("FY16") mainly due to the following:

(a) loss of revenue from 2 outlets closed during FY16 amounting to S\$0.6 million; and

(b) lower revenue contribution from restaurant sales amounting to S\$2.4 million.

However, this was partially offset by:

(i) revenue contribution by one new outlet opened during FY17 amounting to S\$0.9 million; and

(ii) increase in revenue from catering sales amounting to S\$1.1 million.

Gross profit margins

Gross profit decreased by S\$0.9 million (1.5%) to S\$61.2 million in FY17 from S\$62.1 million in FY16, in line with the lower revenue. Gross profit margin declined marginally by 0.3 percentage points to 71.9% from 72.2% due to higher raw material costs.

Other operating income

Other operating income decreased by S\$0.5 million (15.2%) to S\$2.6 million in FY17 from S\$3.1 million in FY16 mainly due to lower grants/credits of S\$0.5 million received from various government schemes.

Administrative expenses

Administrative expenses, mainly manpower-related expenses, decreased by S\$1.2 million (3.8%) to S\$30.3 million in FY17 from S\$31.5 million in FY16 mainly due to a reduction in headcounts and related staff costs of approximately S\$0.4 million, coupled with lower staff incentives of S\$0.8 million in tandem with the lower revenue in FY17.

Other operating expenses

Other operating expenses increased by S\$0.2 million (0.4%) to S\$33.6 million in FY17 from S\$33.4 million in FY16 mainly due to the following:

(i) higher rental expenses of S\$0.6 million; and

(ii) higher repair and maintenance expenses of S\$0.1 million.

This was offset by lower utility expenses of S\$0.4 million and lower credit card commission expenses of S\$0.1 million in FY17.

Share of profit of joint venture

Share of profit of joint venture increased by S\$59,000 (20.6%) to S\$345,000 in FY17 from S\$286,000 in FY16.

Share of profit of associates

Share of profit of associates increased to S\$256,000 in FY17 due to higher net profit contributions from associates.

Income tax benefits

The Group registered income tax benefits of S\$170,000 in FY17 mainly due to tax benefits of S\$235,000 from the Productivity and Innovation Credit ("PIC") scheme and offset by income tax expense of S\$45,000 and deferred tax expense of S\$20,000. The income tax benefits of S\$682,000 in FY16 arose from deferred tax credits and tax benefits recognised from the PIC scheme.

Profit attributable to owners of the Company

The Group reported a profit attributable to owners of the Company of S\$422,000 in FY17 compared to S\$611,000 in FY16 (a decrease of 30.9%) mainly due to lower revenue and reduced income tax credits. However this was mitigated by lower administrative expenses and higher share of profits from joint venture and associates.

**TUNG LOK RESTAURANTS (2000) LTD****Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017****Cashflow**

The Group's **operational cashflow** recorded a net inflow of S\$2.3 million in FY17 compared to S\$4.5 million in FY16, mainly due to lower revenue generated and faster creditor turnover days.

The Group's **investing cashflow** recorded an outflow of S\$0.7 million in FY17 compared to S\$2.9 million in FY16 mainly due to reduced acquisition of plant and equipment, repayment of loan from an associate and dividends received from joint venture and associate.

The Group's **financing cashflow** recorded an outflow of S\$0.6 million in FY17 compared to S\$2.8 million in FY16, mainly due to lower repayment amounts for bank borrowings, finance leases, loan from a corporate shareholder and less dividends paid to non-controlling interests in subsidiaries.

Overall, the Group's cash position increased by S\$1.0 million to S\$15.0 million in FY17 from S\$14.0 million in FY16. This was mainly due to cash generated from operations and loan repayment from an associate and dividends received from an associate and joint venture.

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

No forecast or prospect statement was disclosed previously.

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 effect the group in the next reporting period and the next 12 months.

The Group's business in the financial year ended 31 March 2017 was affected by the volatile economic environment. Against this backdrop, we managed to strengthen the Group's financial position by improving our net working capital position and reducing our gearing ratio.

The Group expects the food and beverage industry to remain challenging in the next 12 months amid stiff competition and economic uncertainty. Rising operating costs (in particular manpower and rental) will continue to exert pressure on our profit margins. Amid these challenges, the Group will remain focused on growing revenue, managing operating costs and improving operational efficiencies.

11. 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) Date 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/recommendeded.

TUNG LOK RESTAURANTS (2000) LTD

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT



13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.

	GROUP	
	Sale revenue by geographical market	
	31 Mar 17	31 Mar 16
	S\$'000	S\$'000
Singapore	81,975	82,984
China	3,085	3,081
	85,060	86,065

	GROUP	
	Property, plant and equipment	
	31 Mar 17	31 Mar 16
	S\$'000	S\$'000
Singapore	9,501	11,379
China	509	673
	10,010	12,052

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Point 8.

15. A breakdown of sales as follows:

	GROUP		
	Latest Financial	Previous Financial	Increase/ (decrease) %
	Year	Year	
	(Apr 16 - Mar 17)	(Apr 15 - Mar 16)	
	S\$'000	S\$'000	
(a) Sales reported for first half of the year	39,728	38,846	2.3
(b) Operating loss after tax before deducting non-controlling interest reported for first half of the year	(1,402)	(1,640)	(14.5)
(c) Sales reported for second half of the year	45,332	47,219	(4.0)
(d) Operating profit after tax before deducting non-controlling interest reported for second half of the year	1,887	2,622	(28.0)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

Nil.

TUNG LOK RESTAURANTS (2000) LTD
Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017


17. 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.

Name of Interested Persons and Transactions	Aggregate value of all interested persons transactions 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)	
	FY 2017	FY 2016	FY 2017	FY 2016
	Apr 16 - Mar 17	Apr 15 - Mar 16	Apr 16 - Mar 17	Apr 15 - Mar 16
	S\$'000	S\$'000	S\$'000	S\$'000
T & T Gourmet Cuisine Pte Ltd - Sale of food items to Tee Yih Jia Manufacturing Pte Ltd	-	-	1,469	1,371
T & T Gourmet Cuisine Pte Ltd - Sale of food items to Chinatown Food Corporation Pte Ltd	-	-	13	11
T & T Gourmet Cuisine Pte Ltd - Purchase of food items from Tee Yih Jia Food Manufacturing Pte Ltd	-	-	12	12
Tung Lok Group - Purchase of food items from Tee Yih Jia Food Manufacturing Pte Ltd	-	-	99	104
Tung Lok Group - Purchase of food items from Chinatown Food Corporation Pte Ltd	-	-	59	52
Tung Lok Group - Purchase of food items from T & T Gourmet Cuisine Pte Ltd	-	-	96	100
Tung Lok Group - Purchase of mooncakes from T & T Gourmet Cuisine Pte Ltd	-	-	455	431
Tee Yih Jia Manufacturing Pte Ltd - Purchase of mooncakes from Tung Lok Group	-	-	19	24
Tung Lok Group - Sale of catering food and services to Far East Orchard Limited	-	40	-	-
Tung Lok Group - Sale of catering food and services to hotels related to a substantial shareholder	265	274	-	-
China Classic Pte Ltd *	900	-	-	-
Novena Point Pte. Ltd.*	1,300	-	-	-
Orchard Central Pte Ltd *	-	1,210	-	-
Far East Hospitality Real Estate Investment Trust *	-	3,150	-	-
Riverhub Pte Ltd *	-	1,780	-	-

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 announcements dated 30 November 2015, 8 January 2016, 10 February 2016, 3 August 2016 and 28 October 2016.

TUNG LOK RESTAURANTS (2000) LTD

Full Year Financial Statement and Dividend Announcement for the Year Ended 31 March 2017

**18. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under SGX-ST Listing Manual Section B: Rules of Catalist ("Catalist") Rule 720(1).**

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

19. Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director of chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must take an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of change in duties and position held, if any, during the year
Tjioe Ka In	52	Daughter of Zhou Yingnan, deceased (substantial shareholder); and sister of Tjioe Ka Men (Executive Chairman)	Chief Operating Officer since 2016. Primary responsibilities include strategic planning, product development and ensuring smooth operations of Tung Lok restaurants	Tjioe Ka In was appointed as the Executive Director on 1 March 2001 and was redesignated as Chief Operating Officer of the Company on 1 November 2016.
Tjioe Ka Lie	60	Daughter of Zhou Yingnan, deceased (substantial shareholder); sister of Tjioe Ka Men (Executive Chairman); and sister of Tjioe Ka In (Chief Operating Officer).	Senior Vice President, Administration since 2010, and responsible for administration and purchasing matters of the Group. Prior to that, Tjioe Ka Lie was the Vice President-Administration of the Group since 2001	Not Applicable

BY ORDER OF THE BOARD

Tjioe Ka Men
Executive Chairman
22 May 2017