



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

Condensed Interim Financial Statements
For the six months ended 30 September 2024

*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
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For the six months ended 30 September 2024



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**A. Condensed Interim Consolidated Income Statement And Statement Of Comprehensive Income
For the Financial Period ended 30 September 2024**

	Note	Group		Increase/ (decrease) %	
		6 months ended 30 September			
		2024 S\$'000	2023 S\$'000		
Revenue	4	38,506	42,556	(9.5)	
Cost of sales		(11,439)	(12,560)	(8.9)	
Gross profit		27,067	29,996	(9.8)	
<i>Gross profit margin</i>		70.3%	70.5%	(0.2)	<i>percentage points</i>
Other operating income		1,221	1,451	(15.9)	
Administrative expenses		(16,321)	(16,030)	1.8	
Other operating expenses		(14,188)	(14,273)	(0.6)	
Share of loss of a joint venture		(33)	(78)	(57.7)	
Share of profits/(losses) of associates		13	(79)	N.M.	
Finance costs		(409)	(412)	(0.7)	
(Loss)/profit before tax	6	(2,650)	575	N.M.	
Income tax credit	7	45	110	(59.1)	
(Loss)/profit for the period		(2,605)	685	N.M.	
Other comprehensive (loss)/income:					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Deregistration of a subsidiary		-	59	(100.0)	
Total comprehensive (loss)/income for the period		(2,605)	744	N.M.	
(Loss)/profit attributable to:					
Owners of the Company		(2,625)	267	N.M.	
Non-controlling interests		20	418	(95.2)	
		(2,605)	685	N.M.	
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(2,625)	326	N.M.	
Non-controlling interests		20	418	(95.2)	
		(2,605)	744	N.M.	
(Losses)/earnings per share (cents)					
Basic and diluted		(0.96)	0.10	N.M.	

N.M. : percentage not meaningful.

B. Condensed Interim Statements Of Financial Position

	Note	Group		Company	
		30 Sep 24 S\$'000	31 Mar 24 S\$'000	30 Sep 24 S\$'000	31 Mar 24 S\$'000
ASSETS					
Current assets:					
Cash and bank balances		12,627	15,995	1,293	2,000
Trade receivables		2,820	3,750	-	-
Other receivables and prepayments		2,140	2,288	1,263	1,261
Inventories		2,108	2,188	-	-
Total current assets		19,695	24,221	2,556	3,261
Non-current assets:					
Other receivables and prepayments		7	6	-	-
Long-term security deposits		1,238	1,129	-	-
Interests in subsidiaries		-	-	15,790	15,774
Interests in a joint venture		-	33	-	-
Interests in associates		470	457	-	-
Deferred tax assets		680	679	-	-
Property, plant and equipment	10	8,079	8,500	-	-
Right-of-use assets	11	19,676	20,629	-	-
Total non-current assets		30,150	31,433	15,790	15,774
Total assets		49,845	55,654	18,346	19,035
LIABILITIES AND EQUITY					
Current liabilities:					
Trade payables		3,023	3,097	-	-
Other payables		8,237	9,165	100	132
Lease liabilities	11	5,018	5,554	-	-
Bank loans	12	1,278	1,300	-	-
Income tax payable		279	272	-	-
Total current liabilities		17,835	19,388	100	132
Net current assets		1,860	4,833	2,456	3,129
Non-current liabilities:					
Other payables		3,174	3,174	-	-
Lease liabilities	11	15,615	15,974	-	-
Bank loans	12	723	1,367	-	-
Deferred tax liabilities		60	93	-	-
Total non-current liabilities		19,572	20,608	-	-
Total liabilities		37,407	39,996	100	132
Capital, reserves and non-controlling interests:					
Share capital	13	28,450	28,450	28,450	28,450
Accumulated losses		(15,814)	(12,574)	(10,204)	(9,547)
Equity attributable to owners of the Company		12,636	15,876	18,246	18,903
Non-controlling interests		(198)	(218)	-	-
Net equity		12,438	15,658	18,246	18,903
Total liabilities and equity		49,845	55,654	18,346	19,035

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
At 1 April 2023	28,450	(59)	(12,507)	15,884	(814)	15,070
Profit for the period	-	-	267	267	418	685
<u>Other comprehensive income</u>						
Deregistration of a subsidiary	-	59	-	59	-	59
	-	59	-	59	-	59
Total comprehensive income for the period, net of tax	-	59	267	326	418	744
<u>Contributions by and distributions to owners</u>						
Tax exempt final dividend of 0.77 Singapore cents per share for the financial year ended 31 March 2023 (Note 8)	-	-	(2,113)	(2,113)	-	(2,113)
Total transactions with owners in their capacity as owners	-	-	(2,113)	(2,113)	-	(2,113)
At 30 September 2023	28,450	-	(14,353)	14,097	(396)	13,701
At 1 April 2024	28,450	-	(12,574)	15,876	(218)	15,658
(Loss)/profit for the period	-	-	(2,625)	(2,625)	20	(2,605)
<u>Contributions by and distributions to owners</u>						
Tax exempt final dividend of 0.224 Singapore cents per share for the financial year ended 31 March 2024 (Note 8)	-	-	(615)	(615)	-	(615)
Total transactions with owners in their capacity as owners	-	-	(615)	(615)	-	(615)
At 30 September 2024	28,450	-	(15,814)	12,636	(198)	12,438

	COMPANY		
	Share capital S\$'000	Accumulated losses S\$'000	Total S\$'000
At 1 April 2023	28,450	(9,651)	18,799
Loss for the period, representing total comprehensive loss for the period	-	(173)	(173)
Tax exempt final dividend of 0.77 Singapore cents per share for the financial year ended 31 March 2023 (Note 8)	-	(2,113)	(2,113)
At 30 September 2023	28,450	(11,937)	16,513
At 1 April 2024	28,450	(9,547)	18,903
Loss for the period, representing total comprehensive loss for the period	-	(42)	(42)
Tax exempt final dividend of 0.224 Singapore cents per share for the financial year ended 31 March 2024 (Note 8)	-	(615)	(615)
At 30 September 2024	28,450	(10,204)	18,246

D. Condensed Interim Consolidated Statement Of Cash Flow

	Group	
	6 months ended 30 September 2024	2023
	S\$'000	S\$'000
Operating activities:		
(Loss)/profit before tax	(2,650)	575
Adjustment for:		
Share of loss of a joint venture	33	78
Share of (profits)/losses of associates	(13)	79
Depreciation of property, plant and equipment	1,151	1,322
Depreciation of right-of-use assets	3,240	3,305
Loss arising from the deregistration of a subsidiary	-	59
Gain on disposal of property, plant and equipment	(13)	-
Interest income	(146)	(193)
Interest expense	409	412
Dividend income from an unquoted equity	(63)	-
Foreign exchange loss	3	3
Rebate on lease rental of kitchen equipment	-	(1)
Reversal of lease liabilities	(3)	(35)
Reversal of provision for reinstatement cost	-	(111)
Operating cash flows before changes in working capital	1,948	5,493
Changes in working capital:		
Decrease/(increase) in trade receivables	927	(2,106)
Decrease/(increase) in other receivables and prepayments	119	(425)
Decrease/(increase) in inventories	80	(117)
Increase in long-term security deposits	(109)	(93)
(Decrease)/increase in trade payables	(74)	368
Decrease in other payables	(1,104)	(438)
Cash flows generated from operations	1,787	2,682
Interest paid	(41)	(49)
Interest received	147	209
Income tax refunded	18	-
Net cash flows generated from operating activities	1,911	2,842
Investing activities		
Purchase of property, plant and equipment (see Note A)	(564)	(1,510)
Proceeds from disposal of property, plant and equipment	13	95
Investment in a joint venture	-	(199)
Dividend received from an unquoted equity	63	-
Net cash flows used in investing activities	(488)	(1,614)
Financing activities		
Dividends paid to owners of the Company	(615)	(2,113)
Payment of principal portion of lease liabilities	(3,152)	(3,172)
Interest paid in relation to lease liabilities	(358)	(343)
Repayment of bank loans	(666)	(569)
Net cash flows used in financing activities	(4,791)	(6,197)
Net decrease in cash and bank balances	(3,368)	(4,969)
Cash and bank balances at the beginning of the financial period	15,995	16,700
Cash and bank balances at the end of the financial period	12,627	11,731

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

Note A

During HY25, the Group recorded additions to property, plant and equipment with an aggregate cost of S\$730,000 (HY24: S\$1,876,000) of which S\$Nil (HY24: S\$106,000) relates to provision for reinstatement costs of premises and S\$205,000 (HY24: S\$421,000) remained unpaid at the end of the reporting period. Cash payments of S\$564,000 (HY24: S\$1,510,000) were made for the purchase of property, plant and equipment.

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 2024 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; and
- 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 2024 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 2024.

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 2024, as well as applicable new and revised SFRS(I) which became effective for financial years beginning on or after 1 April 2024. 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 2024.

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 the 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 is impaired requires an estimation of the value in use. The value in use calculation requires the management to estimate future cash flows and a suitable discount rate in order to calculate the present value of the 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 and 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 sales of Original Equipment Manufacturer (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 2024. 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 S\$'000	Operation of catering S\$'000	Operation of manufacturin S\$'000	Others S\$'000	Elimina- tion S\$'000	Total S\$'000
April 2024 to September 2024						
Revenue						
Revenue from external customers	33,928	3,467	945	166	-	38,506
Inter-segment revenue	101	1,004	2,438	1,501	(5,044)	-
Total segment revenue	<u>34,029</u>	<u>4,471</u>	<u>3,383</u>	<u>1,667</u>	<u>(5,044)</u>	<u>38,506</u>
Results						
Loss from operations	(1,035)	(636)	(39)	(657)	-	(2,367)
Finance costs	(246)	(65)	(30)	(68)	-	(409)
Finance income	80	-	-	66	-	146
Share of loss of a joint venture	(33)	-	-	-	-	(33)
Share of profits of associates	13	-	-	-	-	13
Segment loss before tax	(1,221)	(701)	(69)	(659)	-	(2,650)
Income tax credit						45
Loss for the period						<u>(2,605)</u>
Segment loss before tax has been arrived at after charging:						
Depreciation of property, plant and equipment	(982)	(33)	(82)	(54)	-	(1,151)
Depreciation of right-of-use assets	(2,679)	(239)	(102)	(220)	-	(3,240)
Gain on disposal of property, plant and equipment	-	13	-	-	-	13
Total assets for reportable segments	<u>30,756</u>	<u>4,608</u>	<u>5,646</u>	<u>8,835</u>	<u>-</u>	<u>49,845</u>
Total liabilities for reportable segments	<u>26,268</u>	<u>4,649</u>	<u>2,337</u>	<u>4,153</u>	<u>-</u>	<u>37,407</u>
Other information						
Interests in associates	470	-	-	-	-	470
Capital expenditure on plant and equipment	461	53	12	204	-	730
April 2023 to September 2023						
Revenue						
Revenue from external customers	36,496	4,913	971	176	-	42,556
Inter-segment revenue	123	824	2,796	1,864	(5,607)	-
Total segment revenue	<u>36,619</u>	<u>5,737</u>	<u>3,767</u>	<u>2,040</u>	<u>(5,607)</u>	<u>42,556</u>
Results						
Profit/(loss) from operations	1,252	139	171	(611)	-	951
Finance costs	(237)	(86)	(31)	(58)	-	(412)
Finance income	106	-	-	87	-	193
Share of loss of a joint venture	(78)	-	-	-	-	(78)
Share of losses of associates	(79)	-	-	-	-	(79)
Segment profit/(loss) before tax	964	53	140	(582)	-	575
Income tax credit						110
Profit for the period						<u>685</u>
Segment profit/(loss) before tax has been arrived at after charging:						
Depreciation of property, plant and equipment	(1,092)	(111)	(76)	(43)	-	(1,322)
Depreciation of right-of-use assets	(2,753)	(237)	(103)	(212)	-	(3,305)
Total assets for reportable segments	<u>34,590</u>	<u>5,072</u>	<u>6,051</u>	<u>8,105</u>	<u>-</u>	<u>53,818</u>
Total liabilities for reportable segments	<u>28,957</u>	<u>4,314</u>	<u>2,342</u>	<u>4,504</u>	<u>-</u>	<u>40,117</u>
Other information						
Interests in a joint venture	122	-	-	-	-	122
Interests in associates	466	-	-	-	-	466
Capital expenditure on plant and equipment	1,695	25	105	51	-	1,876

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

4. Segment and revenue information (Continued)

4.2 Disaggregation of revenue

	Operation of restaurants	Operation of catering	Operation of manufacturing	Others	Elimina- tion	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
April 2024 to September 2024						
Types of goods or services:						
Sales of food and beverages	31,100	4,442	3,383	-	(3,543)	35,382
Service charges	2,929	29	-	-	-	2,958
Management fees	-	-	-	1,667	(1,501)	166
Total	34,029	4,471	3,383	1,667	(5,044)	38,506
Timing of transfer of goods or services:						
At a point in time	34,029	4,471	3,383	-	(3,543)	38,340
Over time	-	-	-	1,667	(1,501)	166
Total	34,029	4,471	3,383	1,667	(5,044)	38,506
Geographical information:						
Singapore	34,029	4,471	3,383	1,667	(5,044)	38,506
April 2023 to September 2023						
Types of goods or services:						
Sales of food and beverages	33,480	5,722	3,767	-	(3,743)	39,226
Service charges	3,139	15	-	-	-	3,154
Management fees	-	-	-	2,040	(1,864)	176
Total	36,619	5,737	3,767	2,040	(5,607)	42,556
Timing of transfer of goods or services:						
At a point in time	36,619	5,737	3,767	-	(3,743)	42,380
Over time	-	-	-	2,040	(1,864)	176
Total	36,619	5,737	3,767	2,040	(5,607)	42,556
Geographical information:						
Singapore	36,619	5,737	3,767	2,040	(5,607)	42,556

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 2024 and 31 March 2024:

	Group		Company	
	30 Sep 24	31 Mar 24	30 Sep 24	31 Mar 24
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets				
At amortised cost:				
Cash and bank balances	12,627	15,995	1,293	2,000
Trade receivables	2,820	3,750	-	-
Other receivables	783	1,110	1,254	1,255
Loans to subsidiaries	-	-	6,933	6,917
Long-term security deposits	1,238	1,129	-	-
Total	17,468	21,984	9,480	10,172
Financial liabilities				
At amortised cost:				
Trade payables	3,023	3,097	-	-
Other payables	8,307	8,720	19	38
Bank loans	2,001	2,667	-	-
Lease liabilities	20,633	21,528	-	-
Total	33,964	36,012	19	38
Financial guarantee contracts	-	-	81	94

6. (Loss)/profit before tax

6.1 Significant items

	Group		
	6 months ended 30 September		
	2024	2023	Increase/ (decrease)
	S\$'000	S\$'000	%
Income			
Government grants	391	410	(4.6)
Dividend income from an unquoted equity	63	-	N.M.
Interest income from:			
- Cash at bank and short-term deposits	146	193	(24.4)
Reversal of provision for reinstatement cost	-	111	(100.0)
Gain on disposal of property, plant and equipment	13	-	N.M.
Reversal of lease liabilities	3	35	(91.4)
Expenses			
Interest expenses on:			
- Bank loans	(36)	(54)	(33.3)
- Shareholders' loans	(15)	(15)	-
- Lease liabilities	(358)	(343)	4.4
Depreciation of property, plant and equipment	(1,151)	(1,322)	(12.9)
Depreciation of right-of-use assets	(3,240)	(3,305)	(2.0)
Foreign exchange loss	(3)	(3)	-
Loss arising from the deregistration of a subsidiary	-	(59)	(100.0)
Rental expenses - non-lease component expenses	(1,794)	(1,794)	-
Staff costs	(14,146)	(13,695)	3.3
Withholding tax	(7)	(13)	(46.2)

N.M. : percentage not meaningful.

6. (Loss)/profit before tax (continued)

6.2 Related party transactions

	Group	
	6 months ended 30	
	September	
	2024	2023
	S\$'000	S\$'000
<u>With corporate shareholder of certain subsidiary</u>		
Sales of food and beverages	7	30
<u>With corporate shareholders of the Company</u>		
Sale of food and beverages	1,126	1,361
Purchase of food, beverages and services	735	788
Rental expenses	951	961
Payment of principal portion of lease liabilities	896	871
Interest paid in relation to lease liabilities	43	53
<u>Compensation of key management personnel</u>		
Short-term employee benefits	824	924
Central Provident Fund Contributions	73	79
Total	897	1,003
Comprise amounts paid to:		
Directors of the Company	371	440
Other key management personnel	526	563
Total	897	1,003

7. Income tax credit

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

	Group	
	6 months ended 30	
	September	
	2024	2023
	S\$'000	S\$'000
Current income tax		
- Overprovision in respect of prior years	11	-
	11	-
Deferred income tax		
- Origination and reversal of temporary differences	37	30
- (Under)/overprovision in respect of prior years	(3)	80
	34	110
Income tax credit recognised in profit or loss	45	110

8. Dividends

	Group		Company	
	6 months ended		6 months ended	
	30 September		30 September	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Ordinary dividends paid:				
First and final tax exempt dividend of 0.224 Singapore cents per share (2023: 0.77 Singapore cents per share)	615	2,113	615	2,113

9. Net asset value

(Singapore cents)	Group		Company	
	30 Sep 24	31 Mar 24	30 Sep 24	31 Mar 24
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	4.60	5.79	6.65	6.89

10. Property, plant and equipment

During the six months ended 30 September 2024, the Group acquired plant and equipment amounting to S\$730,000 (HY24: S\$1,876,000) as well as disposed and written off plant and and equipment amounting to S\$101,000 (HY24: S\$1,627,000) with net carrying amount of S\$Nil (HY24: S\$95,000).

11. Right-of-use assets and lease liabilities

During the six months ended 30 September 2024, the Group had non-cash additions to right-of-use assets and lease liabilities of S\$2,287,000 and S\$2,260,000 (HY24: S\$10,712,000 and S\$10,657,000) respectively.

The carrying amounts of lease liabilities are disclosed as below:

	Group	
	30 Sep 24 S\$'000	31 Mar 24 S\$'000
Current	5,018	5,554
Non-current	15,615	15,974

The above lease liabilities included finance lease payable of S\$606,000 (FY24: S\$562,000) 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 2024 and 31 March 2024 pursuant to SFRS(I) 16 Leases.

	Group	
	30 Sep 24 S\$'000	31 Mar 24 S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	175	162
Unsecured	-	-
	175	162
<u>Amount repayable after one year</u>		
Secured	431	400
Unsecured	-	-
	431	400

12. Bank loans

	Group	
	30 Sep 24 S\$'000	31 Mar 24 S\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	1,278	1,300
Unsecured	-	-
	1,278	1,300
<u>Amount repayable after one year</u>		
Secured	723	1,367
Unsecured	-	-
	723	1,367

Details of any collateral

As at balance sheet date, the total borrowings of the Group are secured by way of corporate guarantees issued by the Company.

13. Share capital

	Group and Company			
	30 Sep 24	31 Mar 24	30 Sep 24	31 Mar 24
	Number of ordinary shares		S\$'000	S\$'000
Issued and paid up	<u>274,400,000</u>	<u>274,400,000</u>	<u>28,450</u>	<u>28,450</u>

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 30 September 2024 and 31 March 2024.

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 2024.

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

14. Events occurring after the reporting period

There are no known subsequent events (after 30 September 2024) which have led to adjustments to this set of interim financial statements.

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 2024 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 flow 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 2024 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

The Group's revenue for the six months ended 30 September 2024 ("HY25") decreased by S\$4.1 million (9.5%) to S\$38.5 million compared to S\$42.6 million for the six months period ended 30 September 2023 ("HY24") mainly due to:

- a) S\$2.0 million loss of revenue contribution from 3 outlets which were closed during the financial year ended 31 March 2024 ("FY24");
- b) S\$1.5 million lower revenue contribution from the catering business; and
- c) S\$0.6 million lower revenue contribution from existing outlets.

Gross profit margin

Gross profit decreased by S\$2.9 million (9.8%) to S\$27.1 million in HY25 from S\$30.0 million in HY24, in line with the lower revenue. Gross profit margin decreased by 0.2 percentage points to 70.3% in HY25 from 70.5% in HY24 due to higher food raw material costs.

Other operating income

Other operating income decreased by S\$0.2 million (15.9%) to S\$1.2 million in HY25 from S\$1.4 million in HY24 mainly due to:

- a) S\$0.1 million lower catering service income;
- b) S\$0.1 million lower interest income earned and marketing promotion funds received; and
- c) absence of S\$0.1 million reversal of provision for reinstatement cost for an outlet which was closed during FY24.

This is partially offset by S\$0.1 million dividend received from an unquoted equity in HY25.

Administrative expenses

Administrative expenses, mainly manpower-related expenses, increased by S\$0.3 million (1.8%) to S\$16.3 million in HY25 from S\$16.0 million in HY24 due to salary adjustments in HY25 to improve staff retention.

Other operating expenses

Other operating expenses decreased by S\$0.1 million (0.6%) to S\$14.2 million in HY25 from S\$14.3 million in HY24 mainly due to:

- a) S\$0.2 million lower depreciation of property, plant and equipment; and
- b) absence of S\$0.1 million loss arising from the deregistration of a subsidiary.

This is partially offset by S\$0.2 million higher advertising and promotion expenses in HY25.

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)

Share of loss of a joint venture

Share of loss of a joint venture decreased by S\$45,000 (57.7%) to S\$33,000 in HY25 from S\$78,000 in HY24 due to cessation of business operation of the joint venture during HY25.

Share of profits/(losses) of associates

Share of profits of associates of S\$13,000 in HY25 compared to share of losses of associates of S\$79,000 in HY24 due to net profit contribution from associates in HY25 due to the absence of loss on disposal of investment in an unquoted equity recorded by an associate in HY24.

Income tax credit

Income tax credit decreased by S\$65,000 (59.1%) to S\$45,000 in HY25 from S\$110,000 in HY24 mainly due to lower deferred tax benefits recorded in HY25.

(Loss)/profit attributable to the owners of Company

The Group recorded a loss attributable to the owners of the Company amounting to S\$2.6 million in HY25 compared to a profit of S\$0.3 million in HY24. This was mainly due to a decline in overall revenue in HY25 compared to HY24, driven by poor consumer sentiment amid uncertain economic outlook in HY25.

(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

Decrease in cash and bank balances at Group level was mainly due to:

- (a) S\$3.5 million repayment of lease obligations and interest;
- (b) S\$0.7 million repayment of bank borrowings;
- (c) S\$0.6 million dividend payment to shareholders of the Company; and
- (d) S\$0.6 million cash outlays for renovating and acquiring plant and equipment for existing outlets.

This is partially offset by S\$1.9 million operational cash inflow.

Decrease in cash and bank balances at Company level was mainly due to dividend payment to shareholders of the Company.

Trade receivables

Decrease in trade receivables at Group level was mainly due to lower credit sales from catering events amid lower revenue generated from catering division.

Other receivables and prepayments (current)

Decrease in other receivables and prepayments (current) at Group level was mainly due to S\$0.1 million lower government grant receivable following the disbursement of previously accrued grants and lower prepayment made for food materials amounting to S\$0.1 million.

Inventories

Decrease in inventories at Group level was consequent to lower revenue generated in HY25.

Long-term security deposits

Increase in long-term security deposits at Group level was mainly due to the additional rental deposits for renewed leases.

Interests in a joint venture

Decrease in interests in a joint venture at Group level was mainly due to share of loss of joint venture amounting to S\$33,000 in HY25.

Interests in associates

Increase in interests in associates at Group level was due to share of profits of associates amounting to S\$13,000 in HY25.

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)

Property, plant and equipment

Decrease in property, plant and equipment at Group level was mainly due to S\$1.1 million depreciation charge but partially offset by acquisition of plant and equipment for existing outlets amounting to S\$0.7 million during HY25.

Right-of-use assets

Decrease in right-of-use assets at Group level was mainly due to S\$3.2 million depreciation charge but partially offset by addition of right-of-use assets amounting to S\$2.3 million during HY25.

Other payables (current)

Decrease in other payables (current) at Group level was mainly due to S\$0.5 million decrease in staff-related accrued expenses and decrease in deferred revenue of S\$0.4 million.

Lease liabilities (current and non-current)

Decrease in lease liabilities at Group level was mainly due to S\$3.2 million settlement of lease obligations but partially offset by S\$2.3 million addition of lease liabilities during HY25.

Bank loans (current and non-current)

Decrease in bank loans at Group level was mainly due to loan repayments of S\$0.7 million during HY25.

Total assets

Total assets of the Group decreased by S\$5.9 million (10.6%) to S\$49.8 million as at 30 September 2024 from S\$55.7 million as at 31 March 2024 mainly due to:

- (i) decrease in cash and bank balances of S\$3.4 million
- (ii) decrease in trade, other receivables and prepayments of S\$1.1 million;
- (iii) decrease in right-of-use assets of S\$1.0 million;
- (iv) decrease in property, plant and equipment of S\$0.4 million; and
- (v) decrease in inventories of S\$0.1 million.

This was partially offset by increase in long-term security deposits of S\$0.1 million.

Total liabilities

Total liabilities of the Group decreased by S\$2.6 million (6.5%) to S\$37.4 million as at 30 September 2024 from S\$40.0 million as at 31 March 2024 mainly due to:

- (i) decrease in trade and other payables of S\$1.0 million;
- (ii) decrease in lease liabilities of S\$0.9 million; and
- (iii) decrease in bank borrowings of S\$0.7 million.

Cash flow

The Group's **operational cashflow** recorded a net inflow of S\$1.9 million in HY25 compared to net inflow of S\$2.8 million in HY24. The decrease was mainly due to lower revenue generated and settlement of manpower-related accrued expenses in HY25.

The Group's **investing cashflow** recorded a net outflow of S\$0.5 million in HY25 compared to S\$1.6 million in HY24. The decrease was mainly due to reduced acquisition of plant and equipment for existing outlets in HY25.

The Group's **financing cashflow** recorded a net outflow of S\$4.8 million in HY25 compared to S\$6.2 million in HY24. The decrease was mainly due to lower dividend payment to shareholders of the Company in HY25.

Overall, the Group's cash position decreased by S\$3.4 million to S\$12.6 million in HY25 from S\$16.0 million as at 31 March 2024.

Working capital

The Group's net working capital decreased by S\$2.9 million to S\$1.9 million as at 30 September 2024 from S\$4.8 million as at 31 March 2024 due to operating loss recorded in HY25 and payment of S\$0.6 million dividend to shareholders of the Company.

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

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

The Group's results for HY25 are generally in line with the Company's profit guidance announcement dated 25 October 2024.

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.

The Group has reported a loss in HY25 due to the ongoing uncertain economic outlook affecting consumer sentiment and intensified competition from the entry of new competitors in food and beverage ("F&B") industry in Singapore. While the Group anticipates the operating environment for F&B industry to remain challenging, it remains cautiously optimistic, as its performance in the first half of the financial year (April to September) is traditionally weaker compared to the second half (October to March).

In response to these economic headwinds, the Group is actively refining its menu offerings to remain competitive, while implementing digital initiatives aimed at enhancing dining experience and improving operational efficiencies.

Through these efforts, the Group is confident it will be able to weather the challenging operating environment and to position itself for future growth.

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 HY25 so as to maintain sufficient liquidity to support our working capital requirements.

F. Other Information Required By Appendix 7C Of The Catalyst 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 Catalyst 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 S\$100,000 and transactions conducted under shareholders' mandate pursuant to Catalyst Rules 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Catalyst Rules 920 (excluding transactions less than S\$100,000)	
		HY25	HY24	HY25	HY24
		Apr 24-Sep 24	Apr 23-Sep 23	Apr 24-Sep 24	Apr 23-Sep 23
		S\$'000	S\$'000	S\$'000	S\$'000
T&T Gourmet Cuisine Pte Ltd (i) Tung Lok Group - Purchase of food items/mooncakes from T&T Gourmet Cuisine Pte Ltd	Dr Goi Seng Hui ("Dr Goi") 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.	-	-	-	621
Tee Yih Jia Food Manufacturing Pte Ltd (i) Tung Lok Group - Purchase of food items/mooncakes from Tee Yih Jia Food Manufacturing Pte Ltd	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 associates of Dr Goi.	-	-	636	46
Chinatown Food Corporation Pte Ltd (i) Tung Lok Group - Purchase of food items from Chinatown Food Corporation Pte Ltd	Topseller Pte Ltd is a wholly-owned subsidiary of PSC Corporation Ltd. Dr Goi has direct interests of more than 30% in the shares of PSC Corporation Ltd with effect from 4 May 2023. Topseller Pte Ltd is therefore considered an associate of Dr Goi from this date onwards.	-	-	21	35
Topseller Pte Ltd (i) Tung Lok Group - Purchase of food items from Topseller Pte Ltd		-	-	72	68
Goodview Properties Pte Ltd and its associates (i) China Classic Pte Ltd * (ii) Orchard Central Pte. Ltd. *	Goodview Properties Pte Ltd (" Goodview Properties ") 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 (" ENTF ") 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 19 April 2024, 1 July 2024 and 9 July 2024, China Classic Pte Ltd and Orchard Central Pte. Ltd. are considered associates of Goodview Properties, ENTFF and/or Mr Ng Chee Tat Philip.	1,232 2,398	- -	- -	- -

Note:

* These refer to IPTs that are categorised as transactions under Catalyst 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 19 April 2024, 1 July 2024 and 9 July 2024.

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 7H 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 7H 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 the current reporting period, HY25.

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
4 November 2024

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 2024 to 30 September 2024 to be false or misleading in any material aspect.

Tjioe Ka Men
President/Chief Executive Officer

4 November 2024

Tjioe Ka In
Executive Director