



Unaudited Results For The Third Quarter and Nine Months Ended 31 March 2016

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

1(a) 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.

Consolidated income statement for the period ended 31 March 2016

|  | GROUP                        |          |             |                            |           |             |
|--|------------------------------|----------|-------------|----------------------------|-----------|-------------|
|  | Third Quarter Ended 31 March |          |             | Nine Months Ended 31 March |           |             |
|  | 2016                         | 2015     | Change      | 2016                       | 2015      | Change      |
|  | S\$'000                      | S\$'000  | +/(-)%      | S\$'000                    | S\$'000   | +/(-)%      |
| <b>Revenue</b>                                   | 103,874                      | 110,432  | <b>(6)</b>  | 264,656                    | 278,157   | <b>(5)</b>  |
| Cost of sales                                    | (54,351)                     | (58,723) | (7)         | (136,377)                  | (140,424) | (3)         |
| <b>Gross profit</b>                              | 49,523                       | 51,709   | <b>(4)</b>  | 128,279                    | 137,733   | <b>(7)</b>  |
| Other operating income                           | 658                          | 632      | 4           | 2,109                      | 1,404     | 50          |
| Distribution and selling expenses                | (34,073)                     | (35,130) | (3)         | (95,379)                   | (96,725)  | (1)         |
| Administrative expenses                          | (8,457)                      | (9,550)  | (11)        | (23,228)                   | (27,775)  | (16)        |
| <b>Operating profit</b>                          | 7,651                        | 7,661    | -           | 11,781                     | 14,637    | <b>(20)</b> |
| Foreign exchange (loss)/gain                     | (1,866)                      | 1,126    | n.m.        | (241)                      | 2,573     | n.m.        |
| Write-back of impairment loss on financial asset | 54                           | -        | n.m.        | 54                         | -         | n.m.        |
| Other losses                                     | (2,787)                      | -        | n.m.        | (3,033)                    | -         | n.m.        |
| Interest income                                  | 49                           | 26       | 88          | 91                         | 63        | 44          |
| Interest expenses                                | (1,628)                      | (1,566)  | 4           | (4,829)                    | (4,479)   | 8           |
| Share of results of joint ventures               | 10                           | 29       | (66)        | 28                         | 45        | (38)        |
| <b>Profit before taxation</b>                    | 1,483                        | 7,276    | <b>(80)</b> | 3,851                      | 12,839    | <b>(70)</b> |
| Income tax expense                               | (1,207)                      | (1,827)  | (34)        | (3,225)                    | (4,675)   | (31)        |
| <b>Profit for the period, net of tax</b>         | 276                          | 5,449    | <b>(95)</b> | 626                        | 8,164     | <b>(92)</b> |
| <b>Profit/(loss) attributable to:</b>            |                              |          |             |                            |           |             |
| <b>Owners of the Company</b>                     | 286                          | 5,448    | (95)        | 634                        | 8,162     | (92)        |
| <b>Non-controlling interests</b>                 | (10)                         | 1        | n.m.        | (8)                        | 2         | n.m.        |
|  | 276                          | 5,449    | <b>(95)</b> | 626                        | 8,164     | <b>(92)</b> |

1(a) 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.

Consolidated Statement of Comprehensive Income for the period ended 31 March 2016

|  | GROUP                        |              |             |                            |               |             |
|--|------------------------------|--------------|-------------|----------------------------|---------------|-------------|
|  | Third Quarter Ended 31 March |              |             | Nine Months Ended 31 March |               |             |
|  | 2016                         | 2015         | Change      | 2016                       | 2015          | Change      |
|  | S\$'000                      | S\$'000      | +/(-)%      | S\$'000                    | S\$'000       | +/(-)%      |
| <b>Profit for the period, net of tax</b>                             | 276                          | 5,449        | (95)        | 626                        | 8,164         | (92)        |
| <b>Other comprehensive income:</b>                                   |                              |              |             |                            |               |             |
| <b>Item that will not be reclassified to profit or loss:</b>         |                              |              |             |                            |               |             |
| Revaluation of land and buildings, net of tax                        | -                            | -            | n.m.        | -                          | -             | n.m.        |
| <b>Item that may be reclassified subsequently to profit or loss:</b> |                              |              |             |                            |               |             |
| Foreign currency translation   | (4,199)                      | 3,623        | n.m.        | (510)                      | 7,848         | n.m.        |
| <b>Other comprehensive income for the period, net of tax</b>         | <u>(4,199)</u>               | <u>3,623</u> | <u>n.m.</u> | <u>(510)</u>               | <u>7,848</u>  | <u>n.m.</u> |
| <b>Total comprehensive income for the period</b>                     | <u>(3,923)</u>               | <u>9,072</u> | <u>n.m.</u> | <u>116</u>                 | <u>16,012</u> | <u>(99)</u> |
| <b>Total comprehensive income attributable to:</b>                   |                              |              |             |                            |               |             |
| <b>Owners of the Company</b>   | (3,905)                      | 9,064        | n.m.        | 123                        | 15,993        | (99)        |
| <b>Non-controlling interests</b>                                     | (18)                         | 8            | n.m.        | (7)                        | 19            | -           |
|  | <u>(3,923)</u>               | <u>9,072</u> | <u>n.m.</u> | <u>116</u>                 | <u>16,012</u> | <u>(99)</u> |

Notes:

(i) Profit before taxation is arrived at after charging/(crediting) the following:

|  | Third Quarter Ended 31 March |         |        | Nine Months Ended 31 March |         |        |
|--|------------------------------|---------|--------|----------------------------|---------|--------|
|  | 2016                         | 2015    | Change | 2016                       | 2015    | Change |
|  | S\$'000                      | S\$'000 | +/(-)% | S\$'000                    | S\$'000 | +/(-)% |
| Depreciation of property, plant and equipment            | 3,164                        | 2,857   | 11     | 9,503                      | 8,184   | 16     |
| Amortisation of intangible assets                        | 388                          | 330     | 18     | 1,076                      | 966     | 11     |
| Loss/(gain) on disposal of property, plant and equipment | 1,235                        | (30)    | n.m.   | 1,238                      | 102     | n.m.   |
| Property, plant and equipment written off                | 115                          | 40      | n.m.   | 520                        | 108     | n.m.   |
| Intangible assets written off                            | -                            | -       | n.m.   | -                          | 1       | (100)  |
| Net write-down of inventories                            | 84                           | 11      | n.m.   | 294                        | 34      | n.m.   |
| Inventories written off                                  | 165                          | 234     | (29)   | 979                        | 672     | 46     |
| Allowance for doubtful receivables (trade)               | 11                           | 2       | n.m.   | 16                         | 101     | (84)   |
| Bad debts written off                                    | 70                           | -       | n.m.   | 70                         | -       | n.m.   |

(ii) Other losses for the 3rd quarter and the 9 month period largely related to expenses incurred for the cessation of Food and Beverage ("F&B") operations in China. These expenses included loss on disposal of fixed assets, fixed assets written off, retrenchment expenses and professional fees. Some of these expenses formed part of the expenses disclosed under Note (i) above.

(iii) The overprovision of tax in respect of prior years for the financial period ended 31 March 2016 amounted to \$142,000 (31 March 2015: \$73,000).

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

|   | Group          |                | Company         |                |
|---|----------------|----------------|-----------------|----------------|
|   | 31-Mar-16      | 30-Jun-15      | 31-Mar-16       | 30-Jun-15      |
|   | S\$'000        | S\$'000        | S\$'000         | S\$'000        |
| <b>Non-current assets</b>   |                |                |                 |                |
| Property, plant and equipment                                     | 197,226        | 200,134        | 527             | 568            |
| Investments in subsidiaries                                       | -              | -              | 80,350          | 77,583         |
| Amounts due from subsidiaries                                     | -              | -              | 90,073          | 57,342         |
| Other receivables   | 7,404          | 8,183          | -               | -              |
| Investments in joint ventures                                     | 876            | 844            | -               | -              |
| Long term investments   | 357            | -              | 357             | -              |
| Investment properties   | 46,353         | 46,276         | -               | -              |
| Intangible assets   | 4,311          | 4,536          | 1,007           | 971            |
| Prepayments   | 679            | 1,670          | -               | -              |
| Deferred tax assets   | 838            | 858            | 102             | 102            |
|   | <b>258,044</b> | <b>262,501</b> | <b>172,416</b>  | <b>136,566</b> |
| <b>Current assets</b>   |                |                |                 |                |
| Inventories   | 77,349         | 87,227         | -               | -              |
| Trade and other receivables                                       | 22,695         | 15,107         | 99              | 117            |
| Prepayments   | 3,886          | 2,298          | 598             | 88             |
| Amounts due from subsidiaries                                     | -              | -              | 65,351          | 59,871         |
| Tax recoverable   | 814            | 221            | -               | -              |
| Cash and cash equivalents   | 34,115         | 25,068         | 2,213           | 3,482          |
|   | <b>138,859</b> | <b>129,921</b> | <b>68,261</b>   | <b>63,558</b>  |
| <b>Current liabilities</b>  |                |                |                 |                |
| Trade and other payables  | 35,069         | 36,504         | 1,170           | 2,087          |
| Provision for long service payments                               | 76             | 85             | -               | -              |
| Interest bearing loans and borrowings                             | 80,916         | 73,398         | 68,000          | 50,500         |
| Notes payable   | 23,859         | -              | 23,859          | -              |
| Hire purchase creditors   | 117            | 142            | 78              | 78             |
| Provision for restoration costs                                   | 705            | 1,097          | -               | -              |
| Deferred revenue  | 3,718          | 3,377          | -               | -              |
| Tax payable   | 3,599          | 4,716          | 88              | 88             |
| Amounts due to a joint venture                                    | 431            | 493            | -               | -              |
| Derivatives   | -              | -              | -               | -              |
|   | <b>148,490</b> | <b>119,812</b> | <b>93,195</b>   | <b>52,753</b>  |
| <b>Net current (liabilities)/assets</b>                           | <b>(9,631)</b> | <b>10,109</b>  | <b>(24,934)</b> | <b>10,805</b>  |
| <b>Non-current liabilities</b>                                    |                |                |                 |                |
| Interest bearing loans and borrowings                             | 773            | 934            | -               | -              |
| Notes payable   | 75,668         | 98,287         | 75,668          | 98,287         |
| Long term loans from non-controlling shareholders of subsidiaries | 152            | 151            | -               | -              |
| Hire purchase creditors   | 96             | 180            | 61              | 120            |
| Provision for restoration costs                                   | 2,340          | 2,119          | -               | -              |
| Provision for long service payments                               | 213            | 216            | -               | -              |
| Deferred tax liabilities  | 9,859          | 9,823          | -               | -              |
| Other payables  | 950            | 745            | -               | -              |
|   | <b>90,051</b>  | <b>112,455</b> | <b>75,729</b>   | <b>98,407</b>  |
| <b>Net assets</b>   | <b>158,362</b> | <b>160,155</b> | <b>71,753</b>   | <b>48,964</b>  |
| <b>Equity attributable to owners of the Company</b>               |                |                |                 |                |
| Share capital   | 41,840         | 41,490         | 41,840          | 41,490         |
| Reserves  | 116,346        | 118,482        | 29,913          | 7,474          |
|   | <b>158,186</b> | <b>159,972</b> | <b>71,753</b>   | <b>48,964</b>  |
| Non-controlling interests   | 176            | 183            | -               | -              |
| <b>Total equity</b>   | <b>158,362</b> | <b>160,155</b> | <b>71,753</b>   | <b>48,964</b>  |

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-16 |                | As at 30-Jun-15 |               |
|-----------------|----------------|-----------------|---------------|
| Secured         | Unsecured      | Secured         | Unsecured     |
| S\$289,000      | S\$104,603,000 | S\$320,000      | S\$73,220,000 |

Amount repayable after one year

| As at 31-Mar-16 |               | As at 30-Jun-15 |               |
|-----------------|---------------|-----------------|---------------|
| Secured         | Unsecured     | Secured         | Unsecured     |
| S\$869,000      | S\$75,820,000 | S\$1,114,000    | S\$98,438,000 |

Details of any collateral

Secured borrowings are:

- (1) bank loan secured by a charge over the property of a subsidiary; and
- (2) finance lease liabilities secured by the rights to the leased assets.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | ← Group →                    |                 |                            |                 |
|---|------------------------------|-----------------|----------------------------|-----------------|
|   | Third Quarter Ended 31 March |                 | Nine Months Ended 31 March |                 |
|   | 2016<br>S\$'000              | 2015<br>S\$'000 | 2016<br>S\$'000            | 2015<br>S\$'000 |
| <b>Cash flows from operating activities:</b>                        |                              |                 |                            |                 |
| Profit before taxation  | 1,483                        | 7,276           | 3,851                      | 12,839          |
| Depreciation of property, plant and equipment                       | 3,164                        | 2,857           | 9,503                      | 8,184           |
| Amortisation of intangible assets                                   | 388                          | 330             | 1,076                      | 966             |
| Loss/(gain) on disposal of property, plant and equipment            | 1,235                        | (30)            | 1,238                      | 102             |
| Property, plant and equipment written off                           | 115                          | 40              | 520                        | 108             |
| Intangible assets written off                                       | -                            | -               | -                          | 1               |
| Foreign currency translation realignment                            | 897                          | 84              | (212)                      | 323             |
| Write-back of impairment loss on financial asset                    | (54)                         | -               | (54)                       | -               |
| Net write-down of inventories                                       | 84                           | 11              | 294                        | 34              |
| Inventories written off   | 165                          | 234             | 979                        | 672             |
| Allowance for doubtful receivables (trade)                          | 11                           | 2               | 16                         | 101             |
| Bad debts written off   | 70                           | -               | 70                         | -               |
| Interest income   | (49)                         | (26)            | (91)                       | (63)            |
| Interest expense  | 1,628                        | 1,566           | 4,829                      | 4,479           |
| Share of results of joint ventures                                  | (10)                         | (29)            | (28)                       | (45)            |
| Deferred revenue  | 370                          | 237             | 420                        | 271             |
| (Decrease)/increase in long service payments                        | (23)                         | 511             | (13)                       | 870             |
| <b>Operating cash flows before changes in working capital</b>       | <b>9,474</b>                 | <b>13,063</b>   | <b>22,398</b>              | <b>28,842</b>   |
| Increase in trade and other receivables                             | (2,974)                      | (649)           | (7,017)                    | (2,203)         |
| Decrease/(increase) in prepayments                                  | 2,974                        | (1,804)         | (617)                      | 2,865           |
| Increase/(decrease) in amount due to a joint venture                | 124                          | 77              | (65)                       | 342             |
| Decrease/(increase) in inventories                                  | 16,818                       | 15,282          | 8,095                      | (11,715)        |
| (Decrease)/increase in trade and other payables                     | (11,093)                     | (10,412)        | (1,266)                    | 3,432           |
| <b>Cash flows from operations</b>                                   | <b>15,323</b>                | <b>15,557</b>   | <b>21,528</b>              | <b>21,563</b>   |
| Interest received   | 52                           | 26              | 93                         | 62              |
| Interest paid   | (515)                        | (415)           | (3,619)                    | (2,998)         |
| Income tax refund   | -                            | 295             | 216                        | 306             |
| Income taxes paid   | (368)                        | (1,184)         | (5,083)                    | (7,489)         |
| <b>Net cash flows from operating activities</b>                     | <b>14,492</b>                | <b>14,279</b>   | <b>13,135</b>              | <b>11,444</b>   |
| <b>Cash flows from investing activities</b>                         |                              |                 |                            |                 |
| Purchase of property, plant and equipment                           | (3,126)                      | (14,277)        | (8,973)                    | (43,221)        |
| Purchase of investment property                                     | -                            | -               | -                          | (15,097)        |
| Purchase of intangible assets                                       | (176)                        | (200)           | (332)                      | (473)           |
| Proceeds from sale of property, plant and equipment                 | 255                          | 54              | 293                        | 57              |
| Payment for long term investment                                    | -                            | (333)           | (357)                      | (333)           |
| Proceeds from disposal of long term investment                      | 54                           | -               | 54                         | -               |
| <b>Net cash used in investing activities</b>                        | <b>(2,993)</b>               | <b>(14,756)</b> | <b>(9,315)</b>             | <b>(59,067)</b> |
| <b>Cash flows from financing activities</b>                         |                              |                 |                            |                 |
| Proceeds from interest bearing loans and borrowings                 | 28,323                       | 11,853          | 46,963                     | 75,258          |
| Repayment of interest bearing loans and borrowings                  | (30,586)                     | (8,564)         | (39,376)                   | (35,124)        |
| Repayment of hire purchase creditors                                | (36)                         | (40)            | (105)                      | (110)           |
| Redemption of Notes payable   | -                            | -               | -                          | (1,400)         |
| Proceeds from exercise of employee share options                    | 44                           | 316             | 327                        | 730             |
| Dividends paid  | -                            | -               | (2,236)                    | (9,825)         |
| <b>Net cash flows (used in)/generated from financing activities</b> | <b>(2,255)</b>               | <b>3,565</b>    | <b>5,573</b>               | <b>29,529</b>   |
| Net increase/(decrease) in cash and cash equivalents                | 9,244                        | 3,088           | 9,393                      | (18,094)        |
| Cash and cash equivalents as at beginning of the period             | 24,578                       | 24,402          | 25,068                     | 45,118          |
| Effects of exchange rates changes on cash and cash equivalents      | 293                          | 439             | (346)                      | 905             |
| <b>Cash and cash equivalents at end of the financial period</b>     | <b>34,115</b>                | <b>27,929</b>   | <b>34,115</b>              | <b>27,929</b>   |

1(c)

|  | ← Group →                    |                 |                            |                 |
|--|------------------------------|-----------------|----------------------------|-----------------|
|  | Third Quarter Ended 31 March |                 | Nine Months Ended 31 March |                 |
|  | 2016<br>S\$'000              | 2015<br>S\$'000 | 2016<br>S\$'000            | 2015<br>S\$'000 |
| <b>A. Purchase of property, plant and equipment</b>      |                              |                 |                            |                 |
| Aggregate cost of property, plant and equipment acquired | 3,126                        | 14,367          | 9,022                      | 43,430          |
| Less :   |                              |                 |                            |                 |
| Financed by hire purchase creditors                      | -                            | (93)            | -                          | (93)            |
| Restoration costs capitalised                            | -                            | 3               | (49)                       | (116)           |
| Cash payments to acquire property, plant and equipment   | <u>3,126</u>                 | <u>14,277</u>   | <u>8,973</u>               | <u>43,221</u>   |

**Note to Consolidated Cash Flow Statement**

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts:

|                        | ← Group →                    |                 |                            |                 |
|------------------------|------------------------------|-----------------|----------------------------|-----------------|
|                        | Third Quarter Ended 31 March |                 | Nine Months Ended 31 March |                 |
|                        | 2016<br>S\$'000              | 2015<br>S\$'000 | 2016<br>S\$'000            | 2015<br>S\$'000 |
| Cash and bank balances | 34,115                       | 27,929          | 34,115                     | 27,929          |
|                        | <u>34,115</u>                | <u>27,929</u>   | <u>34,115</u>              | <u>27,929</u>   |

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Attributable to owners of the Company |                           |                 |  |                       |                 |                                      |                 |                | Non-controlling interests | Total equity   |
|---|---------------------------------------|---------------------------|-----------------|--|-----------------------|-----------------|--------------------------------------|-----------------|----------------|---------------------------|----------------|
|   | Share capital                         | Asset revaluation reserve | Capital reserve | Premium paid on acquisition of non-controlling interests | Share options reserve | Warrant reserve | Foreign currency translation reserve | Revenue reserve | Total          |                           |                |
|   | S\$'000                               | S\$'000                   | S\$'000         | S\$'000  | S\$'000               | S\$'000         | S\$'000                              | S\$'000         | S\$'000        | S\$'000                   | S\$'000        |
| <b>Group</b>  |                                       |                           |                 |  |                       |                 |                                      |                 |                |                           |                |
| <b>At 1 Jan 2016</b>                                      | 41,786                                | 30,951                    | 453             | (35)   | 731                   | 437             | (12,694)                             | 100,418         | 162,047        | 194                       | 162,241        |
| Profit/(loss) for the period, net of tax                  | -                                     | -                         | -               | -  | -                     | -               | -                                    | 286             | 286            | (10)                      | 276            |
| Other comprehensive income, net of tax                    | -                                     | -                         | -               | -  | -                     | -               | (4,191)                              | -               | (4,191)        | (8)                       | (4,199)        |
| <b>Total comprehensive income for the period</b>          | -                                     | -                         | -               | -  | -                     | -               | (4,191)                              | 286             | (3,905)        | (18)                      | (3,923)        |
| <u>Contributions by and distributions to owners</u>       |                                       |                           |                 |  |                       |                 |                                      |                 |                |                           |                |
| Shares issued pursuant to the exercise of share options   | 54                                    | -                         | -               | -  | (10)                  | -               | -                                    | -               | 44             | -                         | 44             |
| <b>Total contributions by and distributions to owners</b> | 54                                    | -                         | -               | -  | (10)                  | -               | -                                    | -               | 44             | -                         | 44             |
| <b>At 31 Mar 2016</b>                                     | <b>41,840</b>                         | <b>30,951</b>             | <b>453</b>      | <b>(35)</b>  | <b>721</b>            | <b>437</b>      | <b>(16,885)</b>                      | <b>100,704</b>  | <b>158,186</b> | <b>176</b>                | <b>158,362</b> |

|   | Attributable to owners of the Company |                           |                 |  |                       |                 |                                      |                 |                | Non-controlling interests | Total equity   |
|---|---------------------------------------|---------------------------|-----------------|--|-----------------------|-----------------|--------------------------------------|-----------------|----------------|---------------------------|----------------|
|   | Share capital                         | Asset revaluation reserve | Capital reserve | Premium paid on acquisition of non-controlling interests | Share options reserve | Warrant reserve | Foreign currency translation reserve | Revenue reserve | Total          |                           |                |
|   | S\$'000                               | S\$'000                   | S\$'000         | S\$'000  | S\$'000               | S\$'000         | S\$'000                              | S\$'000         | S\$'000        | S\$'000                   | S\$'000        |
| <b>Group</b>  |                                       |                           |                 |  |                       |                 |                                      |                 |                |                           |                |
| <b>At 1 Jan 2015</b>                                      | 41,123                                | 27,872                    | 453             | (35)   | 847                   | 437             | (15,901)                             | 100,360         | 155,156        | 180                       | 155,336        |
| Profit for the period, net of tax                         | -                                     | -                         | -               | -  | -                     | -               | -                                    | 5,448           | 5,448          | 1                         | 5,449          |
| Other comprehensive income, net of tax                    | -                                     | -                         | -               | -  | -                     | -               | 3,616                                | -               | 3,616          | 7                         | 3,623          |
| <b>Total comprehensive income for the period</b>          | -                                     | -                         | -               | -  | -                     | -               | 3,616                                | 5,448           | 9,064          | 8                         | 9,072          |
| <u>Contributions by and distributions to owners</u>       |                                       |                           |                 |  |                       |                 |                                      |                 |                |                           |                |
| Shares issued pursuant to the exercise of share options   | 362                                   | -                         | -               | -  | (46)                  | -               | -                                    | -               | 316            | -                         | 316            |
| Share options lapsed                                      | -                                     | -                         | -               | -  | (22)                  | -               | -                                    | 22              | -              | -                         | -              |
| <b>Total contributions by and distributions to owners</b> | 362                                   | -                         | -               | -  | (68)                  | -               | -                                    | 22              | 316            | -                         | 316            |
| <b>At 31 Mar 2015</b>                                     | <b>41,485</b>                         | <b>27,872</b>             | <b>453</b>      | <b>(35)</b>  | <b>779</b>            | <b>437</b>      | <b>(12,285)</b>                      | <b>105,830</b>  | <b>164,536</b> | <b>188</b>                | <b>164,724</b> |

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

|   | Attributable to owners of the Company |                           |                 |  |                       |                 |                                      |                 | Non-controlling interests | Total equity |                |
|---|---------------------------------------|---------------------------|-----------------|--|-----------------------|-----------------|--------------------------------------|-----------------|---------------------------|--------------|----------------|
|   | Share capital                         | Asset revaluation reserve | Capital reserve | Premium paid on acquisition of non-controlling interests | Share options reserve | Warrant reserve | Foreign currency translation reserve | Revenue reserve |                           |              | Total          |
|   | S\$'000                               | S\$'000                   | S\$'000         | S\$'000  | S\$'000               | S\$'000         | S\$'000                              | S\$'000         |                           |              | S\$'000        |
| <b>Group</b>  |                                       |                           |                 |  |                       |                 |                                      |                 |                           |              |                |
| <b>At 1 Jul 2015</b>                                      | 41,490                                | 30,951                    | 453             | (35)   | 770                   | 437             | (16,374)                             | 102,280         | 159,972                   | 183          | 160,155        |
| Profit/(loss) for the period, net of tax                  | -                                     | -                         | -               | -  | -                     | -               | -                                    | 634             | 634                       | (8)          | 626            |
| Other comprehensive income, net of tax                    | -                                     | -                         | -               | -  | -                     | -               | (511)                                | -               | (511)                     | 1            | (510)          |
| <b>Total comprehensive income for the financial year</b>  | -                                     | -                         | -               | -  | -                     | -               | (511)                                | 634             | 123                       | (7)          | 116            |
| <u>Contributions by and distributions to owners</u>       |                                       |                           |                 |  |                       |                 |                                      |                 |                           |              |                |
| Shares issued pursuant to the exercise of share options   | 350                                   | -                         | -               | -  | (23)                  | -               | -                                    | -               | 327                       | -            | 327            |
| Share options lapsed                                      | -                                     | -                         | -               | -  | (26)                  | -               | -                                    | 26              | -                         | -            | -              |
| Final dividend for FY2015                                 | -                                     | -                         | -               | -  | -                     | -               | -                                    | (2,236)         | (2,236)                   | -            | (2,236)        |
| <b>Total contributions by and distributions to owners</b> | <b>350</b>                            | <b>-</b>                  | <b>-</b>        | <b>-</b>   | <b>(49)</b>           | <b>-</b>        | <b>-</b>                             | <b>(2,210)</b>  | <b>(1,909)</b>            | <b>-</b>     | <b>(1,909)</b> |
| <b>At 31 Mar 2016</b>                                     | <b>41,840</b>                         | <b>30,951</b>             | <b>453</b>      | <b>(35)</b>  | <b>721</b>            | <b>437</b>      | <b>(16,885)</b>                      | <b>100,704</b>  | <b>158,186</b>            | <b>176</b>   | <b>158,362</b> |

|   | Attributable to owners of the Company |                           |                 |  |                       |                 |                                      |                 | Non-controlling interests | Total equity |                |
|---|---------------------------------------|---------------------------|-----------------|--|-----------------------|-----------------|--------------------------------------|-----------------|---------------------------|--------------|----------------|
|   | Share capital                         | Asset revaluation reserve | Capital reserve | Premium paid on acquisition of non-controlling interests | Share options reserve | Warrant reserve | Foreign currency translation reserve | Revenue reserve |                           |              | Total          |
|   | S\$'000                               | S\$'000                   | S\$'000         | S\$'000  | S\$'000               | S\$'000         | S\$'000                              | S\$'000         |                           |              | S\$'000        |
| <b>Group</b>  |                                       |                           |                 |  |                       |                 |                                      |                 |                           |              |                |
| <b>At 1 Jul 2014</b>                                      | 40,639                                | 27,872                    | 453             | (35)   | 1,258                 | 437             | (20,116)                             | 107,130         | 157,638                   | 169          | 157,807        |
| Profit for the period, net of tax                         | -                                     | -                         | -               | -  | -                     | -               | -                                    | 8,162           | 8,162                     | 2            | 8,164          |
| Other comprehensive income, net of tax                    | -                                     | -                         | -               | -  | -                     | -               | 7,831                                | -               | 7,831                     | 17           | 7,848          |
| <b>Total comprehensive income for the financial year</b>  | <b>-</b>                              | <b>-</b>                  | <b>-</b>        | <b>-</b>   | <b>-</b>              | <b>-</b>        | <b>7,831</b>                         | <b>8,162</b>    | <b>15,993</b>             | <b>19</b>    | <b>16,012</b>  |
| <u>Contributions by and distributions to owners</u>       |                                       |                           |                 |  |                       |                 |                                      |                 |                           |              |                |
| Shares issued pursuant to the exercise of share options   | 846                                   | -                         | -               | -  | (116)                 | -               | -                                    | -               | 730                       | -            | 730            |
| Share options lapsed                                      | -                                     | -                         | -               | -  | (363)                 | -               | -                                    | 363             | -                         | -            | -              |
| Final dividend for FY2014                                 | -                                     | -                         | -               | -  | -                     | -               | -                                    | (9,825)         | (9,825)                   | -            | (9,825)        |
| <b>Total contributions by and distributions to owners</b> | <b>846</b>                            | <b>-</b>                  | <b>-</b>        | <b>-</b>   | <b>(479)</b>          | <b>-</b>        | <b>-</b>                             | <b>(9,462)</b>  | <b>(9,095)</b>            | <b>-</b>     | <b>(9,095)</b> |
| <b>At 31 Mar 2015</b>                                     | <b>41,485</b>                         | <b>27,872</b>             | <b>453</b>      | <b>(35)</b>  | <b>779</b>            | <b>437</b>      | <b>(12,285)</b>                      | <b>105,830</b>  | <b>164,536</b>            | <b>188</b>   | <b>164,724</b> |





**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

**A) Changes in share capital during the financial period**

As at 31 March 2016, the Company's issued and paid up capital, excluding treasury shares comprises 448,043,217 (30 June 2015: 447,281,217) ordinary shares. Movements in the number of the Company's issued and paid-up capital, excluding treasury shares were as follows:

| Number of shares issued and paid up | Shares issued pursuant to the exercise of share options | Number of shares issued and paid up |
|-------------------------------------|---|-------------------------------------|
| <b>1-Jan-16</b>                     |   | <b>31-Mar-16</b>                    |
| <b>'000</b>                         | <b>'000</b>   | <b>'000</b>                         |
| 447,917                             | 126   | 448,043                             |

**B) Share Options – Eu Yan Sang Employees Share Option Scheme**

Under the 2000 scheme, there is no outstanding share option as at 31 March 2016, compared to 1,944,000 as at 31 March 2015.

Between 1 January 2016 and 31 March 2016, the Company has issued 126,000 ordinary shares under the Eu Yan Sang Employees Share Option Scheme 2006 ("the 2006 scheme").

Under the 2006 scheme, options to subscribe for 5,785,000 shares remained outstanding as at 31 March 2016, compared to 5,970,000 as at 31 March 2015. Movements in the number of the unissued shares of the Company under the 2006 scheme during Q3FY16 were as follows:

| Outstanding options as at | Number of options exercised | Outstanding options as at |
|---------------------------|-----------------------------|---------------------------|
| <b>1-Jan-16</b>           |                             | <b>31-Mar-16</b>          |
| <b>'000</b>               | <b>'000</b>                 | <b>'000</b>               |
| 5,911                     | (126)                       | 5,785                     |

**C) Performance Share Plan**

At the extraordinary general meeting of the Company held on 25 October 2007, the Company's shareholders approved the adoption of the Eu Yan Sang Performance Share Plan ("EYS PSP"). As at 31 March 2016, no shares were granted and outstanding under the EYS PSP (31 March 2015: nil).

**D) Treasury shares**

No treasury shares were held by the Company as at 31 March 2016 and 31 March 2015.

**E) Warrants**

During FY12, the Company issued 22,000,000 Warrants in conjunction with the issuance of interest bearing notes at par of \$25,000,000. The Warrants were issued at an issue price of S\$0.04 per Warrant and each Warrant carried the right to subscribe for 1 ordinary share in the capital of the Company at an exercise price of \$0.83 for each new share.

The Warrants are exercisable any time during a period of 5 years from the issue date of the Warrants. Noteholders of the S\$25,000,000 Notes have the option to tender the notes at par in lieu of cash payment for the exercise of the Warrants at the exercise price at any time before the maturity date.

Between 1 January 2016 and 31 March 2016, no convertible warrants have been exercised.

As at 31 March 2016, there were 22,000,000 (31 March 2015: 22,000,000) outstanding convertible warrants with exercise price at \$0.83 (31 March 2015: \$0.83) for each ordinary share.

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

The number of issued shares as at 31 March 2016 is 448,043,217 (30 June 2015: 447,281,217) ordinary shares.

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

Not applicable.

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

The figures 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 matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the year ended 30 June 2015.

**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.**

During the current financial year, the group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 July 2015. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

|   | GROUP                           |              |                               |              |
|---|---------------------------------|--------------|-------------------------------|--------------|
|   | Third Quarter Ended 31<br>March |              | Nine Months Ended 31<br>March |              |
|   | 2016                            | 2015         | 2016                          | 2015         |
| <b>Earnings per ordinary share of the Group based on net profit attributable to shareholders:</b> | <b>cents</b>                    | <b>cents</b> | <b>cents</b>                  | <b>cents</b> |
| <b>(i) Based on the weighted average number of ordinary shares</b>                                | <b>0.06</b>                     | <b>1.22</b>  | <b>0.14</b>                   | <b>1.83</b>  |
| Weighted average number of shares ('000)  | 447,959                         | 447,008      | 447,578                       | 446,549      |
| <b>(ii) On a fully diluted basis</b>  | <b>0.06</b>                     | <b>1.21</b>  | <b>0.14</b>                   | <b>1.82</b>  |
| Weighted average number of shares ('000)  | 448,221                         | 448,904      | 447,822                       | 448,682      |

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:- (a) current financial period reported on; and (b) immediately preceding financial year.**

|   | 31-Mar-2016  | 30-Jun-2015  |
|---|--------------|--------------|
| <b>Net asset value per ordinary share based on issued share capital</b> | <b>cents</b> | <b>cents</b> |
| <b>For the Group</b>  | 35.3         | 35.8         |
| <b>For the Company</b>  | 16.0         | 10.9         |

**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.**

**Overview**

The Group's revenue for the 3rd quarter declined by 6% against last year as a result of lower revenue generated from Malaysia. For the 9 month period, revenue for the Group was 5% below last year, mainly due to the revenue decline in Hong Kong and Malaysia. The Group's revenue was also impacted by the weakening Malaysian Ringgit ("MYR") and Australian dollar ("AUD").

The Group's gross margins for the 3rd quarter and 9 month period were both 48% as compared to the previous corresponding periods' gross margins of 47% and 50% respectively. The fluctuations in gross margins were generally due to product sales mix and the impact of promotions.

The Group saw a marginal decline in Operating Profit ("OP") for the 3rd quarter, largely due to the decline in revenue. The decline was partially cushioned by the lower spending on distribution and selling ("D&S") and administrative expenses. For the 9 month period, OP was down by 20% compared to last year, primarily due to the lower revenue and gross margin contribution. The overall decline was, however, partially offset by the lower D&S and administrative expenses and the higher other operating income from government grants and incentives.

The Group's Profit before tax ("PBTs") for the 3rd quarter and 9 month period were below last year. Other than the decline in OPs, PBTs were also impacted by foreign exchange losses from the weakening in Hong Kong Dollar ("HKD") during the 3rd quarter and the incurrance of "other losses". Please refer to Note F for further details on "other losses". Consequently, the Group went into marginal profits after tax ("PATs") for the 3rd quarter and 9 month period.

**(A) Revenue**

The Group's revenue for the 3rd quarter and 9 month period declined by 6% and 5% respectively. In terms of segment performance, the revenue decline for the 3rd quarter was primarily from the retail segment while the decrease in revenue for the 9 month period was largely from the retail and wholesale segments. In terms of geographical performance, the decline in revenue for the 3rd quarter was attributed to lower sales from Malaysia whereas the lower revenue for the 9 month period was mainly due to lower sales from Hong Kong and Malaysia.

**Revenue by Activities**

|                                      | GROUP                          |                |            |                              |                |            |
|--------------------------------------|--------------------------------|----------------|------------|------------------------------|----------------|------------|
|                                      | ← Third Quarter Ended 31 March |                |            | → Nine Months Ended 31 March |                |            |
|                                      | 2016                           | 2015           | Change     | 2016                         | 2015           | Change     |
| Activities                           | S\$'000                        | S\$'000        | +/(-)%     | S\$'000                      | S\$'000        | +/(-)%     |
| <b>Retail (TCM &amp; non TCM)</b>    | 86,598                         | 94,764         | (9)        | 217,989                      | 225,058        | (3)        |
| <b>Wholesale (TCM &amp; non TCM)</b> | 12,048                         | 10,129         | 19         | 30,984                       | 36,869         | (16)       |
| <b>Clinic - TCM</b>                  | 4,176                          | 4,052          | 3          | 12,503                       | 12,654         | (1)        |
| <b>Others</b>                        | 1,052                          | 1,487          | (29)       | 3,180                        | 3,576          | (11)       |
|                                      | <b>103,874</b>                 | <b>110,432</b> | <b>(6)</b> | <b>264,656</b>               | <b>278,157</b> | <b>(5)</b> |

*Traditional Chinese Medicine ("TCM") - comprising Chinese Proprietary Medicine ("CPM"), Health Foods and Medicinal Herbs.*

**Retail** – Retail revenue for the Group dipped by 9% and 3% respectively for the 3rd quarter and 9 month period, primarily due to lower revenue generated in Hong Kong and Malaysia. The Group's retail revenue was also impacted by the weakening MYR and AUD.

**Wholesale** – The Group saw a 19% increase in wholesale revenue in the 3rd quarter while a 16% decline was recorded for the 9 month period. The increase in wholesale revenue during th 3rd quarter was attributed to higher wholesale revenue generated in Hong Kong. The decline in wholesale revenue for the 9 month period was mainly due to lower revenue generated from Hong Kong, Malaysia and China.

**Clinic** – Clinic revenue for the 3rd quarter was 3% above last year, due to higher revenue generated across the markets. Clinic revenue for the 9 month period was 1% marginally below last year.

Revenue under "Others" mainly related to food and beverages ("F&B") income, rental income and franchise fee income. The reduction in revenue under "Others" for the 3rd quarter and 9 month period was largely due to the decline in F&B revenue in Malaysia and Shanghai. The Group ceased its F&B operations in Shanghai during the 3rd quarter.

**Turnover by Geographical Locations:**

← GROUP →  
**Third Quarter Ended 31 March    Nine Months Ended 31 March**

| Core Countries |     | 2016               | 2015           | Change     | 2016           | 2015           | Change     |
|----------------|-----|--------------------|----------------|------------|----------------|----------------|------------|
|                |     | '000               | '000           | +/(-)%     | '000           | '000           | +/(-)%     |
| Hong Kong*     | SGD | 36,199             | 35,594         | 2          | 100,231        | 109,858        | (9)        |
|                | HKD | 202,426            | 202,120        | -          | 555,606        | 652,753        | (15)       |
| Singapore      | SGD | 24,438             | 23,766         | 3          | 64,633         | 59,628         | 8          |
| Malaysia       | SGD | 30,658             | 38,854         | (21)       | 61,352         | 72,204         | (15)       |
|                | MYR | 90,672             | 102,535        | (12)       | 182,433        | 188,423        | (3)        |
| Australia      | SGD | 12,579             | 12,218         | 3          | 38,440         | 36,467         | 5          |
|                | AUD | 12,352             | 11,576         | 7          | 38,000         | 33,089         | 15         |
| <b>Total</b>   |     | <b>SGD 103,874</b> | <b>110,432</b> | <b>(6)</b> | <b>264,656</b> | <b>278,157</b> | <b>(5)</b> |

\* Include Macau and China.

Hong Kong's revenue for the 3rd quarter, in local currency terms, was marginally above last year while revenue for the 9 month period was 15% below last year. Revenue in Hong Kong was impacted by challenges in the retail environment and the decline in mainland tourists' spending. The stronger HKD helped to cushion part of the revenue decline in SGD.

Singapore's revenue for the 3rd quarter and 9 month period went up by 3% and 8% respectively against the previous corresponding periods, largely due to favourable consumer response to key promotions and launch of new products.

In terms of local currency, Malaysia's revenue for the 3rd quarter and 9 month period slid by 12% and 3% respectively against the previous corresponding periods. Revenue for last year was significantly higher due to consumers stocking up before the implementation of Goods and Services Tax in April 2015. The weakening of MYR also contributed to the lower revenue in SGD.

Australia's revenue for the 3rd quarter and 9 month period, in terms of local currency, increased by 7% and 15% respectively against last year, due to the increase in same-store sales and in tandem with the increase in company-operated outlets. Revenue in SGD was, however, impacted by the weakening of AUD.

**(B) FY16 Q3 Outlets & Clinics**

| Countries    | Retail                   |            |                   |           |                  |            | General TCM Clinics |           | Premier TCM Clinics |          | Integrative Medical Centre |          | F&B outlets      |          |
|--------------|--------------------------|------------|-------------------|-----------|------------------|------------|---------------------|-----------|---------------------|----------|----------------------------|----------|------------------|----------|
|              | Company-operated outlets |            | Franchise outlets |           | Total            |            | Added / (Closed)    | Total     | Added / (Closed)    | Total    | Added / (Closed)           | Total    | Added / (Closed) | Total    |
|              | Added / (Closed)         | Total      | Added / (Closed)  | Total     | Added / (Closed) | Total      |                     |           |                     |          |                            |          |                  |          |
| Australia    | -                        | 47         | -                 | 20        | -                | 67         | -                   | -         | -                   | -        | -                          | -        | -                | -        |
| Malaysia     | (3)                      | 85         | -                 | -         | (3)              | 85         | -                   | 6         | -                   | -        | -                          | -        | -                | 2        |
| Hong Kong    | (3)                      | 58         | -                 | -         | (3)              | 58         | -                   | -         | -                   | -        | -                          | -        | 2                | -        |
| Singapore    | 2                        | 46         | -                 | -         | 2                | 46         | 1                   | 24        | -                   | 2        | -                          | -        | -                | -        |
| China        | -                        | 10         | -                 | -         | -                | 10         | -                   | -         | -                   | -        | -                          | -        | (2)              | -        |
| Macau        | -                        | 2          | -                 | -         | -                | 2          | -                   | -         | -                   | -        | -                          | -        | -                | -        |
| <b>Total</b> | <b>(4)</b>               | <b>248</b> | <b>-</b>          | <b>20</b> | <b>(4)</b>       | <b>268</b> | <b>1</b>            | <b>30</b> | <b>-</b>            | <b>2</b> | <b>-</b>                   | <b>2</b> | <b>(2)</b>       | <b>2</b> |

The Group's retail network consisted of 248 company-operated outlets and 20 franchise outlets as at 31 March 2016. During the 3rd quarter, 2 company-operated outlets were added in Singapore while a net total of 6 company-operated outlets was closed in Malaysia and Hong Kong. Franchise outlets remained at 20 as at 31 March 2016.

For the clinic network, there was an addition of 1 general clinic in Singapore, resulting in 32 TCM clinics as at 31 March 2016. Integrative Medical Centres ("IMC") remained at 2 as at 31 March 2016.

For the F&B network, 2 outlets in China were closed during the 3rd quarter, resulting in 2 remaining F&B outlets in Malaysia as at 31 March 2016.

**(C) Profitability**

The Group's OP for the 3rd quarter was marginally below last year, primarily attributed to the decline in revenue. The decline was partially cushioned by lower spending on D&S and administrative expenses. OP for the 9 month period decreased by 20% against last year, due to the decline in revenue and gross margin contribution but partially offset by higher other operating income in the form of government grants and incentives and lower D&S and administrative expenses incurred.

Beside the lower OP, the Group's PBT for the 3rd quarter was also impacted by the foreign exchange loss a result of the weakening of HKD during the 3rd quarter and the incurrence of "other losses". The Group's PBT for the 9 month period was also similarly impacted by the decline in OP, higher foreign exchange losses and "other losses". Please refer to Note F for more details on other losses. PATs for the 3rd quarter and 9 month period were below last year as a result of the lower PBTs and the tax expenses incurred by the profit-making entities.

**(D) Distribution and selling expenses**

The Group's D&S expenses for the 3rd quarter were 2% below the previous corresponding quarter while D&S expenses for the half year were marginally below last year. The decline in D&S expenses for the 3rd quarter was largely due to lower spending on personnel-related expenses and rental expenses while the lower D&S expenses for the 9 month period were largely attributed to lower A&P spending and personnel-related expenses.

**(E) Administrative expenses**

Administrative expenses for the 3rd quarter and 9 month period declined by 10% and 16% respectively compared to the previous corresponding periods. The lower expenses were mainly due to lower personnel-related expenses across most markets and lower spending on corporate projects, branding and corporate communication activities.

**(F) Other losses**

Other losses for the 3rd quarter and the 9 month period largely related to expenses incurred for the cessation of F&B operations in China. The Group closed 2 remaining F&B restaurants during the 3rd quarter. The closure expenses included loss on disposal of fixed assets, fixed assets written off, retrenchment expenses and professional fees.

**(G) Income tax expense**

The higher effective tax rates for the 3rd quarter and 9 month period were primarily due to the changes in the composition of profit or loss positions of the subsidiaries within the Group.

**(H) Property, plant and equipment**

The decrease in the Group's property, plant and equipment ("PPE") was largely due to depreciation during the period and the impact of the weakening MYR on PPE held in Malaysia.

**(I) Prepayments (non-current)**

The decrease in prepayments was primarily due to the reclassification to fixed assets upon receipt/full payment of the fixed assets.

**(J) Inventories**

The level of inventories went down after the CNY peak season. The lower inventories were also part of the Group's efforts to manage working capital.

**(K) Trade and other receivables**

The higher trade and other receivables were largely attributed to increased credit sales to wholesale customers during the 3rd quarter and higher credit card receivables for sales to retail customers.

**(L) Prepayments**

The increase in prepayments was mainly due to prepayments for goods and services.

**(M) Trade and other payables**

The fluctuation in trade and other payables was largely due to timing of purchases and payments to suppliers.

**(N) Interest bearing loans and borrowings**

The higher loans and borrowings were largely due to short-term borrowings taken up for working capital purposes.

**(O) Notes payable**

The \$25M notes were reclassified from non-current liabilities to current liabilities as they mature in November 2016. This resulted in the net current liability position for the Group and Company as at 31 March 2016.

**(P) Tax payable**

The reduction in tax payable was largely due to income tax payment to the tax authorities during the 2nd quarter.

**(Q) Cash flows**

Net cash generated from operating activities for the 9 month period was S\$1.7 million above last year, primarily due to the lower build-up in inventories.

Net cash used in investing activities for the 9 month period was S\$9.3 million, mainly from capital expenditure on new and existing outlets and factory construction in Hong Kong. The cash outflow for the 9 month period was lower than that of last year as last year's cash flow included the acquisition of properties in Hong Kong and Macau.

Net cash generated from financing activities for the 9 month period was S\$5.6 million, which was lower than that of last year, largely due to lower short-term borrowings taken up by the Group.

The Group's cash and cash equivalents stood at S\$34.1 million as at 31 March 2016 compared to S\$27.9 million as at 31 March 2015.

The Group's gearing ratio was 93.2% as at 31 March 2016.

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

The results for the period are in line with the prospect statement contained in the FY2015 full year announcement made on 26 August 2015.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group remains cautious in its business outlook, in light of the persistent economic slowdown in the region weighing down on its core markets. Although the Hong Kong market appears to have bottomed out, its short-term outlook is still expected to be challenging. In Malaysia, the Group expects a continued slowdown in private consumption and waning consumer confidence. Deterioration in either of these markets may have a significant impact on the Group's operating profits next quarter.

Singapore continues to perform despite a slowing local economy. The Group also remains cautiously optimistic about future prospects in Australia, and intends to continue growing its Australian network through strategic acquisitions and partnerships. Finally, the Group expects to complete all legal arrangements for the joint venture with HCare Investments Holding Limited for China by the end of the financial year.

Given that the weak operating business outlook is expected to endure, the Group will keep its cautious approach and it hopes to improve gradually its business through cost reduction initiatives, rationalisation of weak performing retail outlets, together with its consistent focus on increasing efficiency in its back office operations using technology. The Group will scrutinise and assess the continual feasibility of all non-profitable lines of business. The Group will also continue to review its cash flow and funding requirements to ensure its balance sheet remains sufficiently strong to support future growth. With these initiatives, the Group expects to mitigate the impact of the negative operating environment.

## 11. Dividend

### (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

|                     |  |
|---------------------|--|
| Name of Dividend    | Interim dividend                                 |
| Dividend Type       | Cash   |
| Dividend Rate       | Interim dividend of 2.5 cents per ordinary share |
| Par Value of shares | N/A  |
| Tax Rate            | Tax Exempt one-tier dividend                     |

### (b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

### (c) Date payable

16 June 2016

### (d) Books closure date

The Register of Members and Register of Transfers of the Company will be closed at 5.00pm on 25 May 2016 and up to 5.00pm on 26 May 2016 (both days inclusive) for the purpose of determining Shareholders' entitlements to dividends. Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623, up to 5.00pm on 25 May 2016 will be registered before entitlements to the dividends are determined.

## 12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

## 13. If the Group has obtained a general mandate from shareholders for 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.

Interested Persons Transactions for the financial period ended 31 March 2016

| Interested Person Transaction                                | Aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate (excluding transactions less than S\$100,000 pursuant to Rule 920) |
|--|---|--|
| Transactions with:-  | S\$'000   | S\$'000  |
| (a) XAct Solutions Pty. Ltd                                  | 4   | -  |
| (b) Shanghai Rongyue Medical Information Consulting Co. Ltd. | 218   | -  |

## 14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

The Board of Eu Yan Sang International Ltd does hereby confirm that to the best of its knowledge, nothing has come to the attention of the Board which may render the third quarter unaudited financial statements for the period ended 31 March 2016 to be false or misleading in any material aspect.

## 15. Confirmation pursuant to Rule 720(1).

Eu Yan Sang International Ltd confirms that understakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

### BY ORDER OF THE BOARD

Lam Chee Weng  
Chief Financial Officer  
15 May 2016