

PRESS RELEASE

RE&S' profit before tax grows 6.8% to S\$3.7 million for 1H FY2018, excluding one-off IPO expenses

- **Top-line increased as the *Quick-Service Restaurants, Convenience and Others* segment grew 16.3%, offsetting a decline in *Full-Service Restaurants* segment**
- **Profitability of the Group improved due to more advantageous raw material costs**
- **The Group is constantly looking for suitable new locations to open new outlets and to introduce new dining concepts to customers**

Singapore, 7 February 2018 – RE&S Holdings Limited (“RE&S” or the “Company” and, together with its subsidiaries, the “Group”), a Japanese multi-brand food and beverage (“F&B”) operator, announced today its financial results for the half year ended 31 December 2017 (“1H FY2018”). This is the Group’s maiden results release following its recent listing on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) in November 2017.

For the period under review, the Group’s overall revenue increased by 0.4% from S\$71.4 million in the corresponding period last year (“1H FY2017”) to S\$71.7 million for 1H FY2018. This was mainly attributable to a 16.3% year-on-year growth in the *Quick-Service Restaurants, Convenience and Others* segment to S\$20.3 million in 1H FY2018, which more than offset the 4.8% decline in the revenue from the *Full-Service Restaurant* segment to S\$51.4 million in 1H FY2018.

Raw materials and consumables used (taking into account the changes in closing inventories) as a percentage of revenue fell slightly from 28.3% in 1H FY2017 to 27.3% in 1H FY2018 mainly due to advantageous raw material costs. On the back of continual renovation and re-equipping works carried out at the Group’s new and existing F&B outlets, depreciation expense for 1H FY2018 increased 8.9% to S\$4.2 million.

The Group reported net profit after tax of S\$1.8 million for 1H FY2018, after taking into account one-off IPO expenses of S\$1.0 million. Excluding the impact of these one-off expenses, the Group’s profit before tax would have increased by 6.8% to S\$3.7 million.

With the net listing proceeds, the Group’s cash and cash equivalents currently stands at S\$10.2 million as of 31 December 2017. This puts the Group in a comfortable position to capitalise on business expansion opportunities as they arise and manage the day-to-day working capital needs of the business.

On the Group’s performance for 1H FY2018, Mr. John Yek (葉鴻烈), Executive Director and Chief Executive Officer of RE&S Holdings Limited commented, “**The environment that**

RE&S operates in has been challenging, with rising competition as well as the tightening labour market. Despite this, we are pleased that we are still able to maintain both the Group's revenue and net profit for the period under review.

Furthermore, we have opened a new Ichiban Sushi outlet at West Mall in December last year with plans to add another outlet at Compass One by February this year, which are expected to contribute positively to the Group's top and bottom line in FY2018.

We intend to open more outlets in 2018 and we are always on the lookout for good and suitable locations. With the net proceeds raised through our recent IPO, we are poised to expand our network of F&B outlets and introduce new dining concepts to customers in the region.

Going forward, we will continue to work diligently and grow our business to deliver long-term value for our shareholders."

###

About RE&S Holdings Limited

Established in 1988, RE&S is a concept owner and operator of F&B outlets in Singapore and Malaysia that provides customers with authentic Japanese cuisine and dining experience. Since its incorporation, RE&S has grown from a single Fiesta restaurant into a network comprising its Corporate Headquarters which houses a Central Kitchen in Tai Seng, a procurement office in Japan, and more than 70 F&B outlets. Its portfolio comprises 20 distinct brands which cover the full spectrum of the Japanese dining segment, ranging from fine dining (Kuriya Dining) to family-style (Ichiban Boshi) and convenience (Kuriya Japanese Market). Supported by its ISO 22000:2005-certified Central Kitchen, RE&S is committed to maintaining a high standard of food consistency and quality for its customers.

For more information, please visit <http://www.res.com.sg>

ISSUED ON BEHALF OF	: RE&S Holdings Limited
BY	: Financial PR Pte Ltd 4 Robinson Road #04-01 The House of Eden Singapore 048543
CONTACT	: Mr Ngo Yit Sung / Mr Benjamin Tho
OFFICE	: (65) 6438 2990
EMAIL	: yitsung@financialpr.com.sg / benjamin@financialpr.com.sg

*This press release (“**Press Release**”) has been prepared by RE&S Holdings Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, DBS Bank Ltd (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this Press Release.*

This Press Release has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Press Release, including the correctness of any of the statements or opinions made or reports contained in this Press Release.

The contact person for the Sponsor is Miss Heng Mui Mui, Managing Director, who can be contacted at 12 Marina Boulevard Level 46, Marina Bay Financial Centre Tower 3, Singapore 018982, Telephone +65 6878 8888.
