

## SINGAPORE CA QUALIFICATION EXAMINER'S REPORT

**MODULE:** Integrative Business Solutions (IB)

**EXAMINATION DATE:** 1 December 2025

### Section 1

#### General comments

This case is about a premium full-service restaurant chain based in Singapore. Orchid Table Pte Ltd, incorporated in 2025, is a mid-sized privately owned chain of 20 outlets, each established as a separate trading wholly owned subsidiary, each having a similar setup and capacity, with some offering private rooms. The brand has attained strong recognition for local authenticity and international flair.

Post-pandemic, the chain shifted towards operational efficiency and strengthening financial performance. While delivery is a new norm, the chain is conscious of its premium positioning.

Candidates were required to evaluate Orchid Table's expansion plans (including venture capital (VC) funding considerations) and address operational underperformance in selected outlets while maintaining brand positioning and customer experience. Candidates also needed to integrate financial analysis with operational drivers (e.g., capacity utilisation, service quality, procurement and labour dynamics), and to apply professional judgement across strategy, governance, ethics and training.

Advance Information (AI) was provided prior to the exam, consisting of 34 pages with 11 Exhibits. Exam Day Documents (EDD) provided more details with 31 pages on performance and VC funding arrangements, as well as ethics and training, with an additional 11 Exhibits.

Candidates were expected to combine their pre-reading and analysis of the expansion via VC funding and demonstrate their ability to work diligently and accurately under time pressure. There were four broad requirements to address, as stated below with the relevant marks allocation:

- Requirement 1 - Summary (10 marks)
- Requirement 2 - Performance evaluation and advice on turning around the business (34 marks)
- Requirement 3 - VC funding and due diligence (32 marks)
- Requirement 4 - Ethics and training (24 marks)

The structure of the AI and EDD, as well as the minimum performance expected by the Examination Team from the Candidates were similar to previous IB examinations, as was the level of difficulty and the domain knowledge required.

Candidates who performed well demonstrated an ability to:

- distinguish between what was provided in the AI versus what needed to be updated using the EDD; and
- translate Exhibits into concise, decision-useful advice (rather than reproducing large blocks of information).

As in previous sessions, technical competence in calculations was generally evident, but stronger scripts were differentiated by (i) clear linkage between numbers and operational realities, (ii) well-reasoned recommendations that addressed the question verbs (evaluate/advise/recommend), and (iii) disciplined time management across all requirements.

## **Section 2**

### **Analysis of individual questions**

#### **Requirement 1**

Requirement 1 was generally well answered by Candidates who attempted it. However, a larger proportion of Candidates did not attempt the Executive Summary compared with earlier sittings. Candidates are reminded that higher credit is awarded when the summary is tailored to the examination-day developments and prioritises the most material issues, rather than relying on a pre-prepared template.

Stronger Executive Summaries were succinct and structured (e.g., by requirement/theme), clearly signposted key recommendations, and reflected the implications of the EDD. Weaker summaries tended to repeat background from the case, omit a recommendation, or present a list of points without explaining why they mattered.

#### **Requirement 2**

Candidates who performed well were able to integrate both financial results and operating information, use the Exam Day Documents appropriately, and translated calculations into clear, decision-useful commentary.

#### **Question 2(a)**

- (a) Many candidates were able to compute the required variances accurately. Stronger scripts went beyond calculation to explain the operational drivers behind movements and linked operating indicators to financial outcomes. A common weakness was disproportionate focus on revenue and cost of sales, with limited discussion of operating expenses, operating margin and overall profitability. Some scripts also did not provide a clear overall conclusion.

Common areas for improvement included:

- providing a brief, forward-looking conclusion (rather than re-stating earlier points);
- ensuring breadth of coverage across the statement of profit or loss (avoiding disproportionate focus on revenue/cost of sales only); and
- using the correct language when discussing changes in margins (some candidates confused “percentage point” movements with “percentage” movements).

Where relevant ratios were implied by the case (e.g., industry-style margin measures), candidates gained credit when they computed them and explained how management actions could improve underlying drivers (e.g., wastage control, menu engineering, labour scheduling and customer throughput). Workings can support the analysis, but credit is given where figures are used within the narrative to explain performance drivers and support conclusions.

#### **Question 2(b)**

- (b) Question 2(b) required candidates to evaluate the strategic options using the performance data provided, rather than relying on pre-prepared content. Although the task was straightforward, a small minority of candidates did not attempt it, often due to time management. Stronger answers used the full set of performance information to support a clear recommendation for each outlet (e.g., turnaround actions or closure), and included brief, practical next steps. Weaker responses used little or none of the data provided, relied on broad frameworks without applying them to the figures, or compared the two outlets only against each other rather than against the network average. Better-scoring answers also incorporated the site managers’ proposed recovery actions and set out practical next steps (e.g., time-bound actions with measurable performance targets), rather than stopping at a diagnostic comparison.

#### **Question 2(c)**

- (c) Many candidates were able to identify relevant closure-related risks affecting remaining operations. Stronger responses clearly explained two risks and paired each with a practical mitigation. Weaker scripts listed generic risks without explaining operational impact and/or omitted specific mitigation action.

#### **Question 2(d)**

- (d) This part was generally attempted, and many Candidates could identify relevant financial reporting and tax areas. Higher credit was awarded where Candidates selected two distinct financial reporting consequences and two

distinct tax consequences, and briefly explained the mechanism and impact in the context of the scenario. Weaker scripts cited standards or tax terms without applying them to the facts of the question.

### **Requirement 3**

#### **Question 3(a)**

- (a) This requirement was generally well attempted, and many candidates could identify relevant non-financial benefits and risks. However, given the mark allocation, higher-scoring scripts were differentiated by the depth of explanation and the quality of application to the case context, rather than the number of points listed. Stronger answers developed a balanced evaluation across benefits, risks and practical implementation challenges, showing clear linkage to Orchid Table's operating model, brand positioning and expansion objectives. They also demonstrated judgement by prioritising the most material considerations, explaining trade-offs, and avoiding repetition of similar points in different wording.

Weaker scripts tended to be descriptive, with broad statements that were not anchored to the scenario (e.g., generic international expansion points), or focused heavily on one dimension (typically benefits) while under-developing risks and implementation realities. Some responses also lacked a clear conclusion, or did not explain how the identified factors would influence management's decision-making and next steps.

Candidates are reminded that, for a higher-mark requirement, credit is awarded for clear reasoning and application, not for listing unconnected points.

#### **Question 3(b)**

- (b) Performance in 3(b) was mixed. Candidates who performed well recognised that this requirement called for both quantitative valuation work and qualitative advice to the Board on the offer terms and implications. Some candidates did not complete the valuation calculations accurately (including common errors in deriving and adjusting EBITDA), which limited the quality of their advice.

In addition to valuation, higher credit was awarded where Candidates discussed the offer's key terms and governance implications (e.g., dilution, board representation, due diligence expectations), assessed the VC exit pathway, and commented on mechanisms that could affect future ownership (e.g., ratchet-style clauses), as well as possible alternative funding structures and a clear Board-level conclusion.

### Question 3(c)

- (c) A small number of Candidates did not attempt the question, and some responded from an angle not required (e.g., focusing on investment terms rather than the due diligence matters and the Board's responses). Stronger answers addressed each due diligence matter separately, evaluated why it mattered, and proposed a clear, practical response (including what information should be obtained and what actions should be taken next). Weaker scripts were often high-level (e.g., "engage a professional") without explaining what should be assessed, why it matters, and what evidence or actions would resolve the concern. Better responses also demonstrated case-grounded judgement (e.g., substantiating assumptions, reviewing key contractual obligations before concluding on exposure, and addressing key person dependency through retention and succession planning), while treating brand disputes as both a legal and commercial risk requiring structured assessment and response planning.

### Requirement 4

#### Question 4(a)

- (a) Candidates generally understood the tipping scenario, but performance varied depending on how well they structured their responses and applied ethical principles to the facts. Stronger answers clearly structured around the following:
- Identification of the ethical dilemma around inconsistent handling and transparency of tips,
  - Consideration of safeguards or mitigating measures,
  - Evaluation of the ethical implications (e.g., integrity, objectivity, professional behaviour, fairness and trust), and
  - Recommendation of practical actions for management and governance.

Weaker scripts either drifted into unrelated parts of the case or listed ethical terms without explaining their relevance to the scenario.

#### Question 4(b)

- (b)(i) Many Candidates were able to produce a computational table for the cost versus benefit analysis. A common weakness was stopping at the workings without interpreting what the figures implied for the commercial case. Stronger scripts combined clear workings with concise interpretation, while weaker answers either omitted the computation or provided narrative without linking back to the figures. Some Candidates also spent disproportionate time in the answers relative to the 2-mark weighting of this question part.

- (b)(ii) Many Candidates could list the pros and cons of training, but stronger scripts provided a clear recommendation supported by the case context. Weaker scripts remained descriptive and did not explain how the proposed programme would address Orchid Table's operational priorities. Higher credit was also awarded where Candidates proposed further analyses before committing to the programme (beyond restating the pros and cons).
- (b)(iii) This part was challenging for many Candidates. Stronger answers proposed two distinct internal audit projects aligned to the requirement: one during programme development (focused on reviewing feasibility, governance, and the reasonableness of key assumptions underpinning the business case and design), and one after delivery commenced (focused on whether training is translating into measurable improvements in operations and service outcomes). Weaker responses remained high-level (e.g., "audit the programme") without specifying audit objectives, the type of evidence to be examined, or how the audit work would demonstrate value for money.
- (b)(iv) Many Candidates demonstrated familiarity with relevant accounting standards. Higher credit was awarded where Candidates applied the requirements to the specific facts (including recognition, measurement and relevant judgements), rather than reproducing standard wording. Some scripts included extensive content that was not directly relevant to the requirement, which likely affected overall time management in completion of this exam by many Candidates.