

Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".



**First Half Ended 30 June 2020**

**Financial Statement and Dividend Announcement**

**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**

**Income statement**

	Group		
	S\$'000		%
	6 months ended 30 Jun		incr/ (decr)
	2020	2019	
Revenue	76,694	78,654	(2.5)
Investment income	-	-	-
Other income including interest income :-	3,621	1,200	201.8
( i ) Gain/(Loss) on sale of plant & equipment included in other income	(19)	94	(120.2)
( ii ) Interest income	112	155	(27.7)
( iii ) Other income	3,528	951	271.0
Changes in inventories of FG & WIP	689	-	100.0
( i ) (Allowance for) write-back of inventories	22	(62)	(135.5)
Raw materials and consumables used :-	(18,855)	(20,350)	(7.3)
( i ) Write-back of (allowance for) inventories	44	(36)	(222.2)
Staff costs	(23,311)	(22,263)	4.7
Depreciation, amortisation and impairment expenses	(11,054)	(8,936)	23.7
Interest on borrowings	(442)	(432)	2.3
Other operating expenses :-	(20,120)	(21,280)	(5.5)
( i ) Foreign exchange (loss) gain	(21)	(145)	(85.5)
( ii ) Allowance for doubtful debts	-	-	n.m
( ii ) Bad debts written off	-	-	n.m
Exceptional items	-	-	-
Operating profit before income tax, non-controlling interests and extraordinary items but after interest on borrowings, depreciation and amortisation, foreign exchange loss and exceptional items	7,222	6,593	9.5

**Income statement (continued)**

Loss from associated companies

(Loss) profit from joint venture

Operating profit before income tax

Less income tax :-

( i ) Adjustment for over provision of tax  
in respect of prior periods.

Profit for the period

Attributable to :-

Owners of the company

Non-controlling interests

Group			
S\$'000		%	
6 months ended 30 Jun		incr/ (decr)	
2020	2019		
-	-	-	
86	52	65.4	
7,308	6,645	10.0	
(1,042)	(1,021)	2.1	
59	341	(82.7)	
6,266	5,624	11.4	
Attributable to :-			
5,286	4,548	16.2	
980	1,076	(8.9)	

**Statement of Comprehensive Income**

Profit for the period

Other comprehensive income :-

Items that will not be reclassified subsequently to profit or loss :-  
( i ) Remeasurement of defined benefit obligationItems that may be reclassified subsequently to profit or loss :-  
( i ) Foreign currency translation

Other comprehensive income for the period

Total comprehensive income for the period

The comprehensive income attributable to :-

Owners of the Company

Non-controlling Interests

Group			
S\$'000		%	
6 months ended 30 Jun		incr/ (decr)	
2020	2019		
6,266	5,624	11.4	
Other comprehensive income :-			
Items that will not be reclassified subsequently to profit or loss :- ( i ) Remeasurement of defined benefit obligation			n.m
Items that may be reclassified subsequently to profit or loss :- ( i ) Foreign currency translation			(2.9)
1,156	1,190	(2.9)	
1,156	1,190	(2.9)	
7,422	6,814	8.9	
The comprehensive income attributable to :-			
6,335	5,764	9.9	
1,087	1,050	3.5	

**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**

Statement of Financial Position	Group		Company	
	Actual	Previous	Actual	Previous
	30-Jun-20 \$'000	31-Dec-19 \$'000	30-Jun-20 \$'000	31-Dec-19 \$'000
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	50,625	47,088	6,787	5,807
Trade and other receivables	40,983	46,623	12,367	10,701
Inventories	16,477	14,915	-	-
<b>Total current assets</b>	<b>108,085</b>	<b>108,626</b>	<b>19,154</b>	<b>16,508</b>
<b>Non-current assets:</b>				
Other assets	1,935	5,897	-	-
Financial Derivatives	-	-	926	926
Joint venture	4,412	4,376	4,216	4,216
Subsidiaries	-	-	28,248	28,248
Property, plant and equipment	68,732	69,316	28,299	29,867
Investment properties	5,080	5,183	3,263	3,331
Right-of-use assets	15,565	13,731	-	-
Land use rights	5,990	6,108	5,624	5,757
Intangible assets	3,889	4,109	-	-
Goodwill	9,093	9,093	-	-
Deferred tax assets	348	346	-	-
<b>Total non-current assets</b>	<b>115,044</b>	<b>118,159</b>	<b>70,576</b>	<b>72,345</b>
<b>Total assets</b>	<b>223,129</b>	<b>226,785</b>	<b>89,730</b>	<b>88,853</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Trade and other payables	20,991	30,178	9,778	8,909
Bank loans	3,891	5,802	3,680	5,480
Leases liabilities	8,461	6,885	21	20
Income tax payable	3,148	3,147	750	748
<b>Total current liabilities</b>	<b>36,491</b>	<b>46,012</b>	<b>14,229</b>	<b>15,157</b>
<b>Non-current liabilities:</b>				
Other payables	4,001	4,334	334	667
Bank loans	1,035	1,241	-	-
Leases liabilities	10,224	10,664	621	31
Deferred tax liabilities	2,603	2,710	756	755
Post employment benefits	637	527	-	-
<b>Total non-current liabilities</b>	<b>18,500</b>	<b>19,476</b>	<b>1,711</b>	<b>1,453</b>
<b>Capital, reserves and non-controlling interests:</b>				
Share capital	23,852	23,852	23,852	23,852
Statutory surplus reserve	3,214	3,197	-	-
Capital Reserve	(4,241)	(4,241)	-	-
Retained earnings	138,575	133,298	49,938	48,391
Currency translation reserve	(2,346)	(3,395)	-	-
<b>Equity attributable to owners of the company</b>	<b>159,054</b>	<b>152,711</b>	<b>73,790</b>	<b>72,243</b>
Non-controlling interests	9,084	8,586	-	-
<b>Total equity</b>	<b>168,138</b>	<b>161,297</b>	<b>73,790</b>	<b>72,243</b>
<b>Total liabilities and equity</b>	<b>223,129</b>	<b>226,785</b>	<b>89,730</b>	<b>88,853</b>

**1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-**

(a) the amount repayable in one year or less, or on demand

	As at 30/06/2020		As at 31/12/2019	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank Loan	3,843	48	5,687	115
Finance leases	1,000	0	993	0
Lease Liabilities	7,461	0	5,892	0

(b) the amount repayable after one year

	As at 30/06/2020		As at 31/12/2019	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Bank Loan	185	850	293	948
Finance leases	1,816	-	2,360	-
Lease Liabilities	8,408	-	8,304	-

**Details of any collateral**

- a) Bank loan secured by
  - corporate guarantee by subsidiary;
  - guarantee by Director;
  - fixed deposit placed with the bank;
- b) Finance Leases secured by assets under hire-purchase arrangement; and
- c) Lease liabilities secured over the right-of-use 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**

**Statement of cash flows**

	<b>Group</b>	
	<b>6 months ended 30 June</b>	
	<b>2020</b>	<b>2019</b>
	S\$'000	S\$'000
<b>Cash flow from operating activities:</b>		
Profit before tax	7,308	6,645
Adjustments for :		
(Write-back) Write-down of inventories	(66)	98
Depreciation and amortisation expense	5,507	5,062
Depreciation expense (for Leases)	5,547	3,874
(Gain) Loss on disposal of property, plant and equipment	31	(94)
Share of (loss) profit from joint venture	(86)	(52)
Unrealised foreign exchange (gain) loss	175	-
Interest income	(112)	(155)
Finance costs for bank loan and finance leases	442	432
<b>Operating cash flows before movements in working capital</b>	<b>18,746</b>	<b>15,810</b>
Trade and other receivables and other assets	10,082	(2,396)
Inventories	(1,347)	843
Trade and other payables	(9,778)	(4,246)
<b>Cash generated from operations</b>	<b>17,703</b>	<b>10,011</b>
Interest paid for bank loan and finance leases	(442)	(432)
Income tax paid	(1,150)	(1,228)
<b>Net cash from operating activities</b>	<b>16,111</b>	<b>8,351</b>
<b>Cash flow from investing activities:</b>		
Interest received	112	155
Proceeds from disposal of property, plant and equipment	15	136
Purchase of property, plant and equipment	(4,081)	(3,018)
Free up of restricted cash	333	-
Net cash flow on acquisition of subsidiaries	-	(6,439)
<b>Net cash used in investing activities</b>	<b>(3,621)</b>	<b>(9,166)</b>
<b>Cash flows from financing activities:</b>		
Dividends paid	-	(2,335)
Dividends paid to non-controlling interests	(581)	(495)
Repayment of bank loans	(2,161)	(70)
Proceeds from bank loans	-	7,863
Repayment of obligations under finance leases	(537)	(719)
Repayment of lease liabilities	(5,708)	(3,588)
<b>Net cash used in financing activities</b>	<b>(8,987)</b>	<b>656</b>
Net increase (decrease) in cash and cash equivalents	3,503	(159)
Cash and cash equivalents at beginning of period	45,688	36,052
Effect of foreign exchange rate changes	367	(14)
<b>Cash and cash equivalents at end of period</b>	<b>49,558</b>	<b>35,879</b>
Cash and cash equivalents comprise the following		
Cash and bank balances	50,625	37,279
Less: Placement in Restricted Cash	(667)	(1,000)
Less: Restricted Cash from acquisition of subsidiaries	(400)	(400)
<b>Cash and cash equivalents at end of period</b>	<b>49,558</b>	<b>35,879</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**

**Statement of changes in equity**

**GROUP**

	Statutory		Capital reserve	Retained earnings	Currency translation reserve	Attributable to owners of the company	Non-controlling interests	Total
	Share capital	surplus reserve						
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 31 December 2018</b>	<b>23,852</b>	<b>3,015</b>	-	<b>128,078</b>	<b>(2,117)</b>	<b>152,828</b>	<b>4,533</b>	<b>157,361</b>
Cumulative effects of adopting SFRS(I) 16	-	-	-	(83)	-	(83)	-	(83)
<b>As adjusted at 1 Jan 2019</b>	<b>23,852</b>	<b>3,015</b>	-	<b>127,995</b>	<b>(2,117)</b>	<b>152,745</b>	<b>4,533</b>	<b>157,278</b>
<b>Total comprehensive income for the period</b>								
Profit for the period, net of tax	-	-	-	4,548	-	4,548	1,076	5,624
Other comprehensive income for the period	-	-	-	-	(410)	(410)	1,600	1,190
<b>Total</b>	-	-	-	<b>4,548</b>	<b>(410)</b>	<b>4,138</b>	<b>2,676</b>	<b>6,814</b>
<b>Transactions with owners, recognised directly in equity</b>								
Appropriations	-	22	-	(22)	-	-	-	-
Dividends paid	-	-	-	(2,335)	-	(2,335)	-	(2,335)
<b>Total</b>	-	<b>22</b>	-	<b>(2,357)</b>	-	<b>(2,335)</b>	-	<b>(2,335)</b>
<b>Others</b>								
Dividends declared to non-controlling interests	-	-	-	-	-	-	(495)	(495)
<b>Total</b>	-	-	-	-	-	-	<b>(495)</b>	<b>(495)</b>
<b>Balance at 30 June 2019</b>	<b>23,852</b>	<b>3,037</b>	-	<b>130,186</b>	<b>(2,527)</b>	<b>154,548</b>	<b>6,714</b>	<b>161,262</b>
<b>Balance at 1 January 2020</b>	<b>23,852</b>	<b>3,197</b>	<b>(4,241)</b>	<b>133,298</b>	<b>(3,395)</b>	<b>152,711</b>	<b>8,586</b>	<b>161,297</b>
Cumulative effects of adopting SFRS(I) 16	-	-	-	-	-	-	-	-
<b>As adjusted at 1 January 2020</b>	<b>23,852</b>	<b>3,197</b>	<b>(4,241)</b>	<b>133,298</b>	<b>(3,395)</b>	<b>152,711</b>	<b>8,586</b>	<b>161,297</b>
<b>Total comprehensive income for the period</b>								
Profit for the period, net of tax	-	-	-	5,286	-	5,286	980	6,266
Other comprehensive loss for the period, net of tax	-	-	-	-	1,049	1,049	107	1,156
<b>Total</b>	-	-	-	<b>5,286</b>	<b>1,049</b>	<b>6,335</b>	<b>1,087</b>	<b>7,422</b>
<b>Transactions with owners, recognised directly in equity</b>								
Appropriation	-	17	-	(9)	-	8	(8)	-
Dividends paid, representing transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>17</b>	-	<b>(9)</b>	-	<b>8</b>	<b>(8)</b>	-
<b>Others</b>								
Acquisition of subsidiaries	-	-	-	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	-	(581)	(581)
<b>Total</b>	-	-	-	-	-	-	<b>(581)</b>	<b>(581)</b>
<b>Balance at 30 June 2020</b>	<b>23,852</b>	<b>3,214</b>	<b>(4,241)</b>	<b>138,575</b>	<b>(2,346)</b>	<b>159,054</b>	<b>9,084</b>	<b>168,138</b>

**COMPANY**

	Statutory		Capital reserve	Retained earnings	Currency translation reserve	Attributable to owners of the company	Non-controlling interests	Total
	Share capital	surplus reserve						
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance at 31 December 2018</b>	<b>23,852</b>	-	-	<b>48,520</b>	-	<b>72,372</b>	-	<b>72,372</b>
Profit for the period, net of tax, representing total comprehensive income for the period	-	-	-	894	-	894	-	894
Dividends paid, representing transactions with owners recognised directly in equity	-	-	-	(2,335)	-	(2,335)	-	(2,335)
<b>Balance at 30 June 2019</b>	<b>23,852</b>	-	-	<b>47,079</b>	-	<b>70,931</b>	-	<b>70,931</b>
<b>Balance at 1 January 2020</b>	<b>23,852</b>	-	-	<b>48,391</b>	-	<b>72,243</b>	-	<b>72,243</b>
Profit for the period, net of tax, representing total comprehensive income for the period	-	-	-	1,547	-	1,547	-	1,547
Dividends paid, representing transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2020</b>	<b>23,852</b>	-	-	<b>49,938</b>	-	<b>73,790</b>	-	<b>73,790</b>

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

Not applicable.

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

	Number of Issued Shares	
	FY 2020	FY 2019
Balance as at 1 January	233,550,248	233,550,248
Issue of shares	-	-
Balance as at 30 June	<u>233,550,248</u>	<u>233,550,248</u>

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

There are no treasury shares as at the end of current period.

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

There are no subsidiary holdings.

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

The figures have not been audited or reviewed by the company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter)**

Not applicable.

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2019.

**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 that are relevant to its operations and effective for annual periods beginning on or after January 1, 2020. The adoption of these new/revised standards does not result in significant changes to the group's and company's accounting policies and has no material effect on the amounts reported for the current or prior years.

**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: -**

	<b>30/06/2020</b>	<b>30/06/2019</b>
Earnings per Ordinary Share for the year based on net profit attributable to shareholders :-		
i) Based on the weighted average number of ordinary shares on issue (cents)	2.26	1.95
ii) On a fully diluted basis (cents)	2.26	1.95

**Note**

- a. The earnings per ordinary share ("EPS") for the period ended June 30, 2020 has been calculated on weighted average number of ordinary shares in issue of 233,550,248 (2019: 233,550,248) ordinary shares.
- b. Fully diluted EPS for the period ended June 30, 2020 is calculated on 233,550,248 (2019: Diluted EPS is calculated at 233,550,248) ordinary shares.

**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**

	<b>GROUP</b>		<b>COMPANY</b>	
	Jun'20	Dec'19	Jun'20	Dec'19
Net asset value per ordinary share based on issued share capital at the end of the period	68.10 cts	65.39 cts	31.59 cts	30.93 cts

Note: The net asset value per ordinary share for the period ended June 30, 2020 have been calculated based on the issued share capital of 233,550,248 shares (2019: 233,550,248)



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**

#### Income Statement

##### **1H FY 2020 vs 1H FY 2019**

For the six months ended 30 June 2020, the Group achieved total revenue of \$76.7 million, 2.5% lower than the \$78.7 million achieved in the same period last year.

The Packaging Printing-related business accounted for 50.1% of the Group's revenue while the Logistics and Services business contributed another 43.8%. The Lifestyle business contributed to the remaining 6.1%. In terms of geographical perspective, the Singapore operations continued to be the main contributor and it accounted for 57.9% of the Group's revenue. The China operations remained the second largest contributor, accounting for 24.1% of the Group's revenue.

For the Packaging Printing-related business, revenue decreased by 6.8% from \$41.2 million to \$38.4 million whilst revenue for the Logistics and Services business decreased by 2.5% from \$34.5 million to \$33.6 million. For the Lifestyle business, revenue increased by 55.9% from \$3.0 million to \$4.7 million. The decrease in the Packaging Printing-related segment revenue was mainly due to decrease in demand from most existing customers in Singapore, Malaysia and China due to Covid-19. For the Logistics and Services business, the decrease was mainly due to decrease in demand from most existing customers in Singapore and China due to Covid-19. The increase in Lifestyle segment revenue is mainly due to the recognition of six months revenue performance in FY2020 compared to just two months revenue performance in FY2019.

The Group's operating profit before tax for the six months ended 30 June 2020 increased by 10.0% from \$6.6 million for the same period in the previous year to \$7.3 million this year. This was mainly due to an increase in other income received from Government support schemes to deal with Covid-19.

For the Packaging Printing-related business, despite of the decline in business activities due to Covid-19, the operating profit before tax (after allocation of corporate services performance) increased by 126.6% from \$0.6 million to \$1.3 million mainly due to the Covid-19 related Government support schemes.

For the Logistics business, operating profit before tax (after allocation of corporate services performance) increased by 9.4% from \$5.9 million to \$6.5 million. The increase in operating profit was mainly due to the Covid-19 related Government support schemes amidst the decline in business activities.

For the Lifestyle business, it has registered a loss of \$0.5 million due to decline in business activities in the tourism and high-end retail sectors due to Covid-19.

The Group's other income for the six months ended 30 June 2020 increased by 201.8% from \$1.2 million to \$3.6 million. This was mainly due to the Covid-19 related Government support schemes in Singapore and China.

The Group's depreciation and amortisation expenses increased by 23.7% from \$8.9 million to \$11.1 million as a result of additional Leases taken up and increased investments in property, plant and equipment in Singapore, China, and Indonesia.

#### Statement of Financial Position

Total assets decreased 1.6% from \$226.8 million as at 31 December 2019 to \$223.1 million as at 30 June 2020.

Current assets decreased 0.5% from \$108.6 million as at 31 December 2019 to \$108.1 million as at 30 June 2020. The decrease was mainly due to lower trade and other receivables as a result of lower sales activities.

Cash and cash equivalents increased by 7.5% to \$50.6 million as of 30 June 2020 as compared to \$47.1 million as at 31 December 2019. This was mainly due to better cash management on collection and prudent payment cycle and the deferred payout of FY 2019's dividends till July 2020 as a result of delay of the Annual General Meeting.

Trade and other receivables decreased by 12.1% to \$41.0 million as of 30 June 2020 as compared to \$46.6 million as at 31 December 2019. This was due to active receivable collection management as well as lower sales for the period.

Inventories increased 10.5% from \$14.9 million as at 31 December 2019 to \$16.5 million as of 30 June 2020 due to stocking up of inventory in prevention of stock-out from possible supply chain disruption arising from Covid-19.

Non-current assets decreased 2.6% from \$118.2 million as at 31 December 2019 to \$115.0 million as at 30 June 2020. This was due to a decrease in other assets, property, plant and equipment, investment properties, land use rights, and intangible assets, offset by the increase in Right-of-use assets.

Other assets decreased \$4.0 million (or 67.2%) from \$5.9 million as at 31 December 2019 to \$1.9 million as at 30 June 2020 due to the reclassification of fully paid plant and equipment in Singapore to property, plant and equipment.

Property, plant and equipment decreased \$0.6 million (or 0.8%) from \$69.3 million as at 31 December 2019 to \$68.7 million as at 30 June 2020. Land use rights decrease \$0.1 million (or 1.9%) from \$6.1 million as at 31 December 2019 to \$6.0 million as at 30 June 2020. Intangible assets decreased \$0.2 million (or 5.4%) from \$4.1 million as at 31 December 2019 to \$3.9 million as at 30 June 2020. This was mainly due to depreciation and amortisation charges for the current financial period.

Right-of-use assets increased \$1.8 million (or 13.4%) from \$13.7 million as at 31 December 2019 to \$15.6 million as at 30 June 2020. This is due to leases addition/extension taken up for the current financial period.

Joint venture in Malaysia remained constant at \$4.4 million as at 30 June 2020.

Total liabilities decreased 16.0% from \$65.5 million as at 31 December 2019 to \$55.0 million as at 30 June 2020.

Current liabilities decreased 20.7% from \$46.0 million to \$36.5 million as at 30 June 2020. This decrease is mainly due to lower trade and other payables, lower bank loan, offset by an increase in lease liabilities.

Non-current liabilities decreased 5.0% from \$19.5 million to \$18.5 million as at 30 June 2020. The decrease was mainly due to other payables, bank loan repayment, and reduction in non-current share of lease liabilities.

#### Statement of Cash Flows

For the six months ended 30 June 2020, the Group generated positive cash flow of \$17.7 million from operations after working capital changes. It was \$10.0 million for the same period in the previous year. This increase was mainly attributed to higher depreciation for right-of-use assets, and higher cash flow generated from collection of trade and other receivables offset by lower cash flow generated from inventories and higher cash outflow from trade and other payables.

During this period, the Group continued to invest \$4.1 million in plant and equipment. These include additional plant and equipment for subsidiaries in Singapore, China, and Indonesia.

The Group's net cash flow from financing activities registered a net cash outflow of \$9.0 million compared to a net cash inflow of \$0.7 million for the same period in the previous year. This was

mainly due to absence of bank loan proceeds, repayment for bank loans and repayment for leases liabilities, offset by deferred payout date of Dividend due to postponement of AGM due to Covid-19.

The Group's debt to equity ratio has decreased from 16.1% as at 31 December 2019 to 14.85% as at 30 June 2020.

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

The results are in line with the commentary previously stated in Paragraph 10 of the announcement for the financial year ended 31 December 2019.

**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 COVID-19 pandemic has spread throughout the world and has adversely impacted the global economy. Many countries have gone into hefty negative economic growth in unprecedented ways.

The strict and extended shutdown of activities by many government has adversely disrupted the global supply chain and caused a decrease in our customer demand for packaging materials and logistic services. The travel bans and the travel restrictions imposed by many countries have directly and adversely impacted the lifestyle industry which depends much on consumers' spending power.

As the Covid-19 pandemic is still evolving and there is no clear indication when it is going to stabilise, coupled with the unresolved trade negotiations between China and US and the escalating geopolitical tussles, it is difficult to determine what would be the specific impacts on us. Currently all our subsidiaries have resumed operations amidst various restrictions imposed by the respective countries. If the global situation worsens, the overall performance of FY2020 would be weaken.

The management will closely monitor the development of the COVID-19 and global operating conditions. We will continue to take steps to manage costs to remain competitive, while keeping a vigilant lookout for opportunities to further widen revenue sources in other markets in this challenging and uncertain time.

**11. Dividend**

***(a) Current Financial Period Reported On***

***Any dividend declared for the current financial period reported on?***

Name of dividend	:	Interim
Dividend Type	:	Cash
Dividend amount per share (in cents)	:	0.5 cent
Tax rate	:	Tax exempt (one-tier)
Date paid	:	Refer to para 11(c)

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

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

Name of dividend	:	Interim
Dividend Type	:	Cash
Dividend amount per share (in cents)	:	0.5 cent
Tax rate	:	Tax exempt (one-tier)
Date paid	:	10 September 2019

**(c) Date payable**

To be announced later.

**(d) Books closure date**

To be announced later.

**12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

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.**

The company did not obtain a general mandate from shareholders for IPTs.

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

The Board of Directors do hereby confirm that to the best of their knowledge, nothing has come to their attention which may render the un-audited results of the Group, for the six months ending June 30, 2020, to be false or misleading.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers.

**BY ORDER OF THE BOARD**  
**Thomas Chua Kee Seng**  
**Chairman & Managing Director**  
**August 12, 2020**  
**Singapore**