

Full Year Unaudited Financial Statements for the Year Ended 31 December 2023

1(a) The following statements in the form presented in the group's most recently audited annual financial statements:-

(i) An income statement and statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year:-

<u>Income Statement</u> (in Singapore Dollars)	Group						
	2nd Half ended			Full Year ended			
	Note	31/12/2023	31/12/2022	+ / (-)	31/12/2023	31/12/2022	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%	
Continuing operations							
Revenue		326,965	307,051	6	628,590	577,523	9
<u>Costs and expenses</u>							
Costs of materials		173,033	166,433	4	337,066	314,868	7
Staff costs		63,173	56,475	12	122,894	110,717	11
Amortisation and depreciation		13,656	13,804	(1)	24,862	28,549	(13)
Repairs and maintenance		7,422	6,946	7	13,748	12,746	8
Utilities		10,827	10,464	3	21,122	19,687	7
Advertising and promotion		6,088	4,778	27	10,545	7,532	40
Other operating expenses		29,833	37,092	(20)	60,711	66,853	(9)
Total costs and expenses		304,032	295,992	3	590,948	560,952	5
Profit from operating activities		22,933	11,059	107	37,642	16,571	127
Finance costs		(981)	(858)	14	(2,080)	(1,676)	24
Share of profits/(losses) of joint venture	1(a)(ii)(b)	1,634	(1,114)	n.m.	(8,366)	2,720	n.m.
Exceptional items	1(a)(ii)(c)	6,310	9,927	(36)	13,795	19,536	(29)
Profit before tax from continuing operations		29,896	19,014	57	40,991	37,151	10
Income tax expense	1(e)(E)						
- Current year		(5,795)	(4,888)	19	(11,614)	(8,519)	36
- Under provision in prior years		(1,492)	(2,817)	(47)	(1,798)	(2,628)	(32)
		(7,287)	(7,705)	(5)	(13,412)	(11,147)	20
Profit after tax from continuing operations		22,609	11,309	100	27,579	26,004	6
Discontinued operations							
Loss after tax from discontinued operations	1(a)(ii)(d)	-	-	n.m.	-	(6,339)	(100)
Profit after tax		22,609	11,309	100	27,579	19,665	40
<u>Attributable to:</u>							
Owners of the parent							
- Profit after tax from continuing operations		22,580	11,224	101	27,485	25,748	7
- Loss after tax from discontinued operations		-	-	n.m.	-	(6,339)	(100)
		22,580	11,224	101	27,485	19,409	42
Non-controlling interests							
- Profit after tax from continuing operations		29	85	(66)	94	256	(63)
		22,609	11,309	100	27,579	19,665	40

n.m. = not meaningful

1(a)(i) Statement of Comprehensive Income

	Group			
	2nd Half ended		Full Year ended	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Profit after tax	22,609	11,309	27,579	19,665
Other comprehensive income:				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
- Actuarial (loss)/gain on defined benefit plans	(1,041)	69	(1,041)	69
<u>Items that may be reclassified subsequently to profit or loss:</u>				
- Currency translation arising on consolidation	(4,130)	(6,982)	(5,293)	(15,816)
- Share of other comprehensive income of joint venture	(555)	(2,196)	(3,303)	(4,052)
Other comprehensive income for the year, net of tax	(5,726)	(9,109)	(9,637)	(19,799)
Total comprehensive income for the year	<u>16,883</u>	<u>2,200</u>	<u>17,942</u>	<u>(134)</u>
<u>Total comprehensive income attributable to:</u>				
Owners of the parent	16,970	2,094	17,906	(306)
Non-controlling interests	(87)	106	36	172
	<u>16,883</u>	<u>2,200</u>	<u>17,942</u>	<u>(134)</u>
<u>Total comprehensive income attributable to owners of the parent:</u>				
From continuing operations, net of tax	16,970	2,094	17,906	(1,696)
From discontinued operations, net of tax	-	-	-	1,390
	<u>16,970</u>	<u>2,094</u>	<u>17,906</u>	<u>(306)</u>

Notes to the Income Statement

Please see Section 8 for commentaries on the Income Statement.

1(a)(ii) The following items, if significant, must be included in the income statement or in the notes to the income statement for current financial period reported on and the corresponding period of the immediately preceding financial year:-

(a) Continuing operations

The Group's profit from operating activities is stated after (charging) / crediting:

	Group					
	2nd Half ended			Full Year ended		
	<u>31/12/2023</u>	<u>31/12/2022</u>		<u>31/12/2023</u>	<u>31/12/2022</u>	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other income including interest income (included in Revenue)	3,975	3,298	21	7,445	4,491	66
Interest income (included in Other income disclosed above)	3,265	1,688	93	6,091	2,176	180
<u>Other Operating Expenses which include the following:</u>						
Operating lease expense	(7,940)	(7,718)	3	(15,668)	(14,908)	5
Distribution and transportation expense	(7,315)	(7,080)	3	(14,119)	(13,853)	2
Foreign currency translation loss	(242)	(7,372)	(97)	(2,411)	(10,372)	(77)
Professional fees	(855)	(1,442)	(41)	(1,821)	(2,602)	(30)
Allowance for receivables (charged)/written back and bad debts written off, net	(521)	112	n.m.	(668)	12	n.m.
Allowance for inventories written back/(charged) and inventories written off, net	161	(1,408)	n.m.	(279)	(2,011)	(86)
Gain/(loss) on disposal of property, plant and equipment	16	(195)	n.m.	(100)	(88)	14

1(a)(ii)

(b) Share of profits/(losses) of joint venture

Following the periodic assessment of the recoverable amount of the Group's investment in its joint venture, Gardena Bakeries (KL) Sdn Bhd ("GBKL"), the Group had recognised a non-cash impairment of \$9.5 million in the full year ended 31 December 2023 (\$5.0 million in full year ended 31 December 2022), as part of the Group's share of profits or losses of joint venture.

The Group had reduced its shareholding in GBKL from 70% to 50% in April 2016 to comply with Malaysian regulatory conditions. GBKL accordingly ceased to be a subsidiary of the Group and became a 50/50 joint venture. Under the shareholders' agreement, the parties are to work towards a listing of GBKL by a specified date, currently 31 March 2028, and subject to the terms of the agreement, if such listing cannot be achieved by then and, amongst others, there is no acquisition by one shareholder of the GBKL shares of the other, GBKL shall be wound up and the shareholders' agreement shall terminate. The listing target date may however be extended by mutual agreement and as previously announced in July 2020, the parties had agreed to an extension of such date from April 2026 to the current March 2028 date.

In accordance with Singapore's Financial Reporting Standards, the Group was required to remeasure its remaining 50% investment in GBKL to its fair value as at 31 March 2016. An external valuer was appointed to perform this valuation. As a result, the Group recorded a net fair value uplift on identifiable assets of \$28.9 million and a goodwill of \$25.0 million arising from this valuation. SFRS(I) requires the Group to assess the recoverable amount of its investment in GBKL periodically. The Group has performed an assessment on the recoverable amount of its investment and determined that a partial, non-cash write-down of approximately \$9.5 million as at 31 December 2023 is required. The accumulated impairment recognised in profit or loss to-date amounts to approximately \$14.5 million. The Group cannot rule out non-cash write-downs of its investment in future years subject to, amongst other things, trading performance, a future decision by the joint venture parties concerning the business beyond 31 March 2028, currency movements and interest rates.

(c) Exceptional Items

The Group "Exceptional Items" relate to interim insurance payments received in connection with the severe flooding in Peninsular Malaysia which affected one of the Group's Malaysian factories in December 2021.

(d) Discontinued operations

With the completion of the disposal of its Primary Production business on 4 January 2022, the Group recognised a loss on disposal of \$3.8 million, and \$2.5 million of associated costs incurred in relation to the disposal. The total amount of \$6.3 million is reflected as Loss after tax from discontinued operations for FY 2022.

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

Statements of Financial Position

(in Singapore Dollars)

	Note	Group		Company	
		31/12/2023 S\$'000	31/12/2022 S\$'000	31/12/2023 S\$'000	31/12/2022 S\$'000
<u>Current assets</u>					
Inventories		49,098	54,333	-	-
Trade receivables		93,681	78,514	-	-
Other receivables		16,966	17,300	41,292	52,783
Tax recoverable		6,919	7,527	-	-
Cash and cash equivalents		215,677	216,792	158,075	159,048
Assets classified as held for sale	1(e)(F)	5,736	-	-	-
		388,077	374,466	199,367	211,831
<u>Non-current assets</u>					
Property, plant & equipment	1(e)(G)	213,206	203,313	3,269	3,604
Right-of-use assets		17,156	19,300	281	289
Investment in subsidiaries		-	-	102,532	101,532
Advances to subsidiaries		-	-	137,897	146,553
Investment in joint venture and associate		46,605	64,312	-	-
Intangibles	1(e)(H)	152	165	99	99
Deferred tax assets		3,964	3,203	-	-
		281,083	290,293	244,078	252,077
Total assets		669,160	664,759	443,445	463,908
<u>Current liabilities</u>					
Trade payables		56,299	57,536	41	80
Other payables		55,153	49,183	115,093	116,618
Short-term borrowings		17,556	676	-	-
Long-term borrowings - current portion		6,030	6,019	-	-
Lease liabilities - current portion		2,177	3,373	169	92
Income tax payable		4,626	2,596	585	492
		141,841	119,383	115,888	117,282
<u>Non-current liabilities</u>					
Other payables		9,235	8,677	2,191	2,865
Long-term borrowings		6,419	14,152	-	-
Lease liabilities		16,741	17,531	122	206
Deferred tax liabilities		6,442	5,557	958	754
		38,837	45,917	3,271	3,825
Total liabilities		180,678	165,300	119,159	121,107
Net assets		488,482	499,459	324,286	342,801
<u>Capital and reserves</u>					
Share capital		277,043	277,043	277,043	277,043
Reserves		209,808	220,665	47,243	65,758
Equity attributable to owners of the parent		486,851	497,708	324,286	342,801
Non-controlling interests		1,631	1,751	-	-
Total equity		488,482	499,459	324,286	342,801

Please see Section 8 for commentaries on the Group's Statement of Financial Position.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, 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) **Amount repayable within one year including those on demand**

As at 31/12/2023		As at 31/12/2022	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
12,540	13,223	220	9,848

(b) **Amount repayable after one year**

As at 31/12/2023		As at 31/12/2022	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	23,160	-	31,683

(c) **Details of any collaterals**

At the end of the financial year, property, plant & equipment with total net book values of \$12,540,000 (as at 31/12/2022: \$220,000) were pledged to secure certain credit facilities for the Group.

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 (in Singapore Dollars)	Group	
	Full Year ended	
	<u>31/12/2023</u>	<u>31/12/2022</u>
	S\$'000	S\$'000
Cash flows from operating activities:		
Profit before tax from continuing operations	40,991	37,151
Loss before tax from discontinued operations	-	(6,339)
Profit before tax, total	<u>40,991</u>	<u>30,812</u>
Adjustments for:		
Amortisation and depreciation	24,862	28,549
Loss on disposal of property, plant and equipment	100	88
Share of losses/(profits) of joint venture	8,366	(2,720)
Allowance for receivables charged/(written back) and bad debts written off, net	668	(12)
Loss on liquidation of investment in associate	35	-
Loss on disposal of disposal group classified as held for sale	-	3,861
Interest expense	2,080	1,676
Interest income	(6,091)	(2,176)
Exchange differences	<u>1,504</u>	<u>4,920</u>
Operating profit before working capital changes	72,515	64,998
(Increase)/decrease in trade and other receivables	(16,078)	5,894
Decrease/(increase) in inventories	4,065	(5,072)
Increase/(decrease) in trade and other payables	<u>3,273</u>	<u>(1,489)</u>
Cash from operations	63,775	64,331
Interest paid	(2,079)	(1,667)
Interest received	6,091	2,176
Income tax paid	<u>(10,215)</u>	<u>(12,395)</u>
Net cash from operating activities	<u>57,572</u>	<u>52,445</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(39,680)	(26,552)
Proceeds from disposal of property, plant and equipment	401	211
Purchase of intangibles	(22)	(27)
Proceeds from liquidation of investment in associate (Note A)	113	-
Dividends received from joint venture	5,772	9,251
Net proceeds from disposal of disposal group classified as held for sale	<u>-</u>	<u>111,489</u>
Net cash (used in)/from investing activities	<u>(33,416)</u>	<u>94,372</u>
Cash flows from financing activities:		
Dividends paid during the year	(28,763)	(40,269)
Dividends paid to non-controlling interests	(156)	(195)
Proceeds from borrowings	17,671	226
Repayment of borrowings	(8,168)	(9,326)
Payment of lease liabilities	<u>(3,544)</u>	<u>(3,381)</u>
Net cash used in financing activities	<u>(22,960)</u>	<u>(52,945)</u>
Net increase in cash and cash equivalents	1,196	93,872
Cash and cash equivalents at beginning of year	216,792	130,488
Effect of exchange rate changes on cash and cash equivalents	<u>(2,311)</u>	<u>(7,568)</u>
Cash and cash equivalents at end of year	<u><u>215,677</u></u>	<u><u>216,792</u></u>

Note A: Analysis of liquidation of associate

	<u>31/12/2023</u>
	\$'000
Net assets liquidated	148
Loss on liquidation of an associate	(35)
Net cash inflow on liquidation of an associate	<u>113</u>

1(d)(i) A statement for the company and group showing all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year:-

Statement of Changes in Equity

(In Singapore Dollars)

Group	Share capital \$'000	Capital reserve \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Reserve of disposal group classified as held for sale \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2023	277,043	(1,511)	245,407	(23,231)	-	1,751	499,459
Total comprehensive income for the year							
Net profit for the year	-	-	27,485	-	-	94	27,579
<u>Other comprehensive income</u>							
<i>Currency translation arising on consolidation</i>	-	-	-	(5,293)	-	-	(5,293)
<i>Actuarial loss on defined benefit plans</i>	-	-	(983)	-	-	(58)	(1,041)
<i>Share of other comprehensive income of joint venture</i>	-	-	43	(3,346)	-	-	(3,303)
Other comprehensive income for the year, net of tax	-	-	(940)	(8,639)	-	(58)	(9,637)
Total comprehensive income for the year	-	-	26,545	(8,639)	-	36	17,942
Transactions with owners in their capacity as owners							
<u>Contributions by and distributions to owners</u>							
Dividends	-	-	(28,763)	-	-	(156)	(28,919)
Total transactions with owners in their capacity as owners	-	-	(28,763)	-	-	(156)	(28,919)
Balance at 31 December 2023	<u>277,043</u>	<u>(1,511)</u>	<u>243,189</u>	<u>(31,870)</u>	<u>-</u>	<u>1,631</u>	<u>488,482</u>
Balance at 1 January 2022	277,043	(1,511)	267,662	(3,360)	(9,280)	1,774	532,328
Total comprehensive income for the year							
Net profit for the year	-	-	19,409	-	-	256	19,665
<u>Other comprehensive income</u>							
<i>Currency translation arising on consolidation</i>	-	-	-	(15,658)	-	(158)	(15,816)
<i>Actuarial (loss)/gain on defined benefit plans</i>	-	-	(5)	-	-	74	69
<i>Share of other comprehensive income of joint venture</i>	-	-	161	(4,213)	-	-	(4,052)
Other comprehensive income for the year, net of tax	-	-	156	(19,871)	-	(84)	(19,799)
Total comprehensive income for the year	-	-	19,565	(19,871)	-	172	(134)
Transactions with owners in their capacity as owners							
<u>Contributions by and distributions to owners</u>							
Dividends	-	-	(40,269)	-	-	(195)	(40,464)
Total contributions by and distributions to owners	-	-	(40,269)	-	-	(195)	(40,464)
<u>Change in ownership interest in subsidiaries</u>							
Disposal of subsidiaries	-	-	(1,551)	-	9,280	-	7,729
Total change in ownership interest in subsidiaries	-	-	(1,551)	-	9,280	-	7,729
Total transactions with owners in their capacity as owners	-	-	(41,820)	-	9,280	(195)	(32,735)
Balance at 31 December 2022	<u>277,043</u>	<u>(1,511)</u>	<u>245,407</u>	<u>(23,231)</u>	<u>-</u>	<u>1,751</u>	<u>499,459</u>

1(d)(i)

Company	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
Balance at 1 January 2023	277,043	65,758	342,801
<i>Net profit for the year</i>	-	10,248	10,248
<u>Contributions by and distributions to owners</u>			
Dividends	-	(28,763)	(28,763)
Total transactions with owners in their capacity as owners	-	(28,763)	(28,763)
Balance at 31 December 2023	<u>277,043</u>	<u>47,243</u>	<u>324,286</u>
Balance at 1 January 2022	277,043	92,786	369,829
<i>Net profit for the year</i>	-	13,241	13,241
<u>Contributions by and distributions to owners</u>			
Dividends	-	(40,269)	(40,269)
Total transactions with owners in their capacity as owners	-	(40,269)	(40,269)
Balance at 31 December 2022	<u>277,043</u>	<u>65,758</u>	<u>342,801</u>

1(d)(ii) Details of any changes in the company's issued share capital.

There has been no change to the issued and paid-up share capital of the Company since 30 June 2023 up to 31 December 2023.

1(d)(iii) Total number of issued shares excluding treasury shares.

	<u>As at</u> <u>31/12/2023</u>	<u>As at</u> <u>31/12/2022</u>
Total number of issued shares (excluding treasury shares)	575,268,440	575,268,440

No treasury shares were held by the Company during the year under review.

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

Not applicable.

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

Not applicable. No subsidiary holdings (as defined in the Listing Manual) were held by the Company as at 31 December 2023.

1(e) Selected Notes to the Interim Financial Statements

For the full year ended 31 December 2023

A. CORPORATE INFORMATION

QAF Limited (the “Company”) is a public limited liability company incorporated and domiciled in Singapore. The registered address and principal place of business of the Company is 150 South Bridge Road, #09-03 Fook Hai Building, Singapore 058727.

The principal activities of the Company are those of an investment holding and management company. The principal activities of the Group consist of the manufacture and distribution of bread, bakery and confectionery products; provision for warehousing logistics for food items; trading and distribution of food and beverages.

B. BASIS OF PREPARATION

The condensed interim financial statements for the financial year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Committee. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

C. USE OF JUDGEMENTS AND ESTIMATES

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements and estimates made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at end of the year ended 31 December 2022.

D. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2023 and 31 December 2022:

	Group	
	31/12/2023	31/12/2022
	S\$'000	S\$'000
<i>Financial assets measured at amortised cost</i>		
Trade receivables	93,681	78,514
Other receivables	6,215	5,556
Cash and cash equivalents	215,677	216,792
	<u>315,573</u>	<u>300,862</u>
<i>Financial liabilities measured at amortised cost</i>		
Trade payables	56,299	57,536
Other payables	51,832	46,566
Short-term borrowings	17,556	676
Long-term borrowings	12,449	20,171
	<u>138,136</u>	<u>124,949</u>

1(e) Selected Notes to the Interim Financial Statements (cont'd)
For the full year ended 31 December 2023 (cont'd)

E. INCOME TAX EXPENSE

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

	2nd Half ended		Full Year ended	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	(6,769)	(6,524)	(12,937)	(10,162)
Deferred tax relating to origination and reversal of temporary differences	(518)	(1,181)	(475)	(985)
	<u>(7,287)</u>	<u>(7,705)</u>	<u>(13,412)</u>	<u>(11,147)</u>

F. ASSETS CLASSIFIED AS HELD FOR SALE

As at 31 December 2023, certain Plant and Equipment and related spare parts of a subsidiary involved in the Bakery segment located in Singapore, have been classified as held for sale due to the subsidiary's intention to sell these assets.

G. PROPERTY, PLANT AND EQUIPMENT

During the financial year ended 31 December 2023, the Group acquired assets amounting to \$40,889,000 (31 December 2022: \$26,664,000) and disposed of assets amounting to \$501,000 (31 December 2022: \$299,000). Capital commitments not provided for in the financial statements amounted to \$4,524,000 as at 31 December 2023.

H. INTANGIBLES

	Group			Total
	Trademark	Intellectual property	Software	
	S\$'000	S\$'000	S\$'000	S\$'000
Cost:				
At 1.1.2022	2,750	141	83	2,974
Additions	-	-	27	27
Currency realignment	-	(10)	-	(10)
At 31.12.2022 and 1.1.2023	<u>2,750</u>	<u>131</u>	<u>110</u>	<u>2,991</u>
Additions	-	-	22	22
Currency realignment	-	(1)	-	(1)
At 31.12.2023	<u>2,750</u>	<u>130</u>	<u>132</u>	<u>3,012</u>
Accumulated amortisation and impairment loss:				
At 1.1.2022	2,750	56	-	2,806
Amortisation for the year	-	14	11	25
Currency realignment	-	(5)	-	(5)
At 31.12.2022 and 1.1.2023	<u>2,750</u>	<u>65</u>	<u>11</u>	<u>2,826</u>
Amortisation for the year	-	13	22	35
Currency realignment	-	(1)	-	(1)
At 31.12.2023	<u>2,750</u>	<u>77</u>	<u>33</u>	<u>2,860</u>
Net carrying amount:				
At 31.12.2023	<u>-</u>	<u>53</u>	<u>99</u>	<u>152</u>
At 31.12.2022	<u>-</u>	<u>66</u>	<u>99</u>	<u>165</u>

Trademark, intellectual property and software with finite lives are amortised on a straight-line basis over their useful lives of 20, 10 and 5 years respectively.

1(e) Selected Notes to the Interim Financial Statements (cont'd)
For the full year ended 31 December 2023 (cont'd)

I. DIVIDENDS

	Full Year ended	
	<u>31/12/2023</u>	<u>31/12/2022</u>
	S\$'000	S\$'000
Interim tax-exempt (one-tier) dividend of 1 cent per share in respect of the financial year ended 31 December 2023	5,753	-
Final tax-exempt (one-tier) dividend of 4 cents per share in respect of the financial year ended 31 December 2022	23,010	-
Interim tax-exempt (one-tier) dividend of 1 cent per share in respect of the financial year ended 31 December 2022	-	5,753
Special tax-exempt (one-tier) dividend of 2 cents per share paid in the financial year ended 31 December 2022	-	11,506
Final tax-exempt (one-tier) dividend of 4 cents per share in respect of the financial year ended 31 December 2021	-	23,010
	<u>28,763</u>	<u>40,269</u>

J. RELATED PARTY TRANSACTIONS

The following significant transactions took place during the financial year on terms agreed by the parties concerned:

	Full Year ended	
	<u>31/12/2023</u>	<u>31/12/2022</u>
	S\$'000	S\$'000
Royalty income from joint venture	6,015	6,127
Purchase of goods from joint venture	3,345	3,604
Sales of goods to joint venture	53,444	38,086
Dividend income from joint venture	5,860	9,310
Purchase of goods from a company in which Mr Lam Sing Chung and immediate family member of Ms Rachel Liem Yuan Fang have an interest	3,117	2,909
Sales of goods to a company in which Mr Lam Sing Chung and immediate family member of Ms Rachel Liem Yuan Fang have an interest (Proceeds of the sales is covered by the personal guarantee by Mr Lam Sing Chung of up to \$1 million)	2,828	3,724
Purchase of goods from a company in which Mr Lin Kejian has an interest	89	-
Shared services income from a company in which Mr Lin Kejian has an interest	60	240

K. FAIR VALUE OF ASSETS AND LIABILITIES

The Group does not have any financial instruments carried at fair value.

L. SUBSEQUENT EVENTS

There are no known subsequent events which led to adjustments to this set of interim financial statements.

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.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation as in the Group's audited financial statements for the previous year ended 31 December 2022. However, the Group adopted new or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for financial years beginning on or after 1 January 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

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.**

Not applicable.

6. **Earnings per ordinary share ("EPS") of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year:**

	Full Year ended	
	<u>31/12/2023</u>	<u>31/12/2022</u>
Basic and Diluted EPS	4.8 cents	3.4 cents
- continuing operations	4.8 cents	4.5 cents
- discontinued operations	-	(1.1) cents

Number of shares used for the calculation of Basic and Diluted EPS:

Weighted average number of ordinary shares in issue	575,268,440	575,268,440
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7. **Net asset value for the company and group per ordinary share based on the total number of issued shares excluding treasury shares of the company at the end of the period reported on and immediately preceding financial year:**

	As at <u>31/12/2023</u>	As at <u>31/12/2022</u>
Group	84.6 cents	86.5 cents
QAF Limited	56.4 cents	59.6 cents
Number of shares used for the calculation of Net asset value:	575,268,440	575,268,440

8. Review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss 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

Note: Any discrepancies in percentages included in Section 8 between the amounts shown and the corresponding percentage are due to rounding. Accordingly, figures shown as percentages in Section 8 may not be derived directly from such amounts shown.

Continuing operations

	2H 2023			2H 2022			+ / (-)			FY 2023			FY 2022			+ / (-)		
		\$'million	\$'million	%		\$'million	\$'million	%		\$'million	\$'million	%		\$'million	\$'million	%		
Segment Revenue ^																		
Bakery		239.4	224.0	7		455.5	419.8	9										
Royalty income from joint venture		3.5	3.6	(3)		6.7	6.8	(1)										
Bakery and joint venture contribution		242.9	227.6	7		462.2	426.6	8										
Distribution & Warehousing		81.9	78.4	4		162.2	150.0	8										
Others * (including head office financials)		2.2	1.0	120		4.2	0.9	367										
		<u>327.0</u>	<u>307.0</u>	<u>6</u>		<u>628.6</u>	<u>577.5</u>	<u>9</u>										

Segment EBITDA before exceptional items

Bakery		31.6	28.4	11		56.4	50.5	12									
Royalty income from joint venture		3.5	3.6	(3)		6.7	6.8	(1)									
Share of profits/(losses) of joint venture		1.6	(1.1)	n.m.		(8.4)	2.7	n.m.									
Bakery and joint venture contribution		36.7	30.9	19		54.7	60.0	(9)									
Distribution & Warehousing		3.0	4.6	(35)		7.5	7.8	(4)									
Others * (including head office financials)		(4.8)	(13.4)	(64)		(14.2)	(22.1)	(36)									
		<u>34.9</u>	<u>22.1</u>	<u>58</u>		<u>48.0</u>	<u>45.7</u>	<u>5</u>									

Segment EBITDA Margin

	2H 2023		2H 2022		FY 2023		FY 2022	
	%	%	%	%	%	%	%	
Bakery	13	13	12	12	12	12	12	
Distribution & Warehousing	4	6	5	5	5	5	5	
Group	<u>11</u>	<u>7</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	

^ Gardenia Bakeries (KL) Sdn Bhd ("GBKL") revenue is not consolidated as it is accounted for as a joint venture. GBKL's revenue decreased by 4% or \$8.1 million from \$218.8 million in 2H 2022 to \$210.7 million in 2H 2023, and 2% or \$7.9 million from \$413.0 million in FY 2022 to \$405.1 million in FY 2023. In constant currency terms, GBKL revenue increased by 2% for 2H 2023 and 4% for FY 2023.

* Excludes share of profits and royalty income from the joint venture, GBKL. Includes foreign currency translation loss recorded at head office of \$0.2 million in 2H 2023 and \$7.4 million in 2H 2022, and \$2.4 million in FY 2023 and \$10.4 million in FY 2022.

8. Review of the performance of the group (cont'd)

INCOME STATEMENT (cont'd)

Continuing operations (cont'd)

Group revenue increased by 6% to \$327.0 million for the second half year ended 31 December 2023 ("2H 2023") from \$307.0 million for the second half year ended 31 December 2022 ("2H 2022"), and 9% to \$628.6 million for the financial year ended 31 December 2023 ("FY 2023") from \$577.5 million for the financial year ended 31 December 2022 ("FY 2022"). In constant currency terms, Group revenue increased by 9% in 2H 2023 compared to 2H 2022, and 12% in FY 2023 compared to FY 2022.

Other income including interest income increased by 21% or \$0.7 million from \$3.3 million in 2H 2022 to \$4.0 million in 2H 2023, and 66% or \$2.9 million from \$4.5 million in FY 2022 to \$7.4 million in FY 2023, due to higher interest income earned in the rising interest rate environment (see section 1(a)(ii) on page 2).

The Group's costs of materials, staff costs, repairs and maintenance, and utilities increased in 2H 2023 and FY 2023. These increases were in line with higher sales in the Bakery and Distribution & Warehousing segments (see section 1(a)(i) on page 1).

Amortisation and depreciation decreased by 1% or \$0.1 million from \$13.8 million in 2H 2022 to \$13.7 million in 2H 2023, and 13% or \$3.6 million from \$28.5 million in FY 2022 to \$24.9 million in FY 2023, mainly due to a one-off adjustment made in the first half year of 2023 to revise the useful life of certain property, plant and equipment.

Advertising and promotion expenses increased by 27% or \$1.3 million to \$6.1 million in 2H 2023, and 40% or \$3.0 million to \$10.5 million in FY 2023 due to more efforts to support existing brands and promote new products.

Other operating expenses decreased by 20% or \$7.3 million from \$37.1 million in 2H 2022 to \$29.8 million in 2H 2023, and 9% or \$6.2 million from \$66.9 million in FY 2022 to \$60.7 million in FY 2023, which included operating lease expense, distribution and transportation expense and foreign currency translation loss. The Group recorded foreign currency translation loss of \$0.2 million in 2H 2023 as compared with \$7.4 million in 2H 2022, and \$2.4 million in FY 2023 as compared to \$10.4 million in FY 2022 (see section 1(a)(ii) on page 2). The major component of the foreign currency translation loss arose from the translation effects from AUD to SGD of the Group's substantial holdings in AUD-denominated cash and cash equivalents.

Group finance costs (interest expense) increased by 14% or \$0.1 million from \$0.9 million in 2H 2022 to \$1.0 million in 2H 2023, and 24% or \$0.4 million from \$1.7 million in FY 2022 to \$2.1 million in FY 2023, mainly due to higher short term borrowings.

The Group recognised a non-cash impairment of \$9.5 million on the Group's investment in its joint venture in FY 2023, compared to \$5.0 million and FY 2022 (see section 1(a)(ii)(b) on page 3). The share of operating profits of joint venture, before the Group's impairment provision on its investment, was \$1.9 million for 2H 2023 and \$1.1 million for FY 2023, down from \$3.9 million in 2H 2022 and \$7.7 million in FY 2022 respectively. The decline was due to inflationary pressures on raw material costs and operating overheads. Accordingly, after impairment provision on its investment, the Group recorded a share of profits of joint venture of \$1.6 million in 2H 2023 as compared to a share of losses of joint venture of \$1.1 million in 2H 2022. The Group's share of losses of joint venture, after impairment provision on its investment, was \$8.4 million in FY2023, as compared to share of profits of joint venture of \$2.7 million in FY 2022.

Exceptional items relate to interim payments received in connection to the claim for insurance relating to the damage sustained at one of the Group's Malaysian factories in December 2021. Insurance payments received were RM46.4 million (equivalent to \$13.8 million) in FY 2023 and RM62.0 million (equivalent to \$19.5 million) in FY 2022.

Group earnings before interest, tax, depreciation and amortisation ("EBITDA") before exceptional items increased by 58% from \$22.1 million for 2H 2022 to \$34.9 million for 2H 2023, and by 5% from \$45.7 million for FY 2022 to \$48.0 million for FY 2023.

8. Review of the performance of the group (cont'd)

INCOME STATEMENT (cont'd)

Continuing operations (cont'd)

In relation to the profits before and after tax for the Group, please refer to the table below which sets out a summary:

	2H 2023	2H 2022	+ / (-)	FY 2023	FY 2022	+ / (-)
	\$'million	\$'million	%	\$'million	\$'million	%
Group profit before tax from continuing operations ("PBT")	29.9	19.0	57	41.0	37.1	10
Group PBT excluding exceptional items and GBKL impairment	23.9	14.1	70	36.7	22.6	62
PBT Margin excluding exceptional items and GBKL impairment (%)	7.3%	4.6%		5.8%	3.9%	
Group income tax expense	(7.3)	(7.7)	(5)	(13.4)	(11.1)	20
Group profit after tax from continuing operations ("PAT")	22.6	11.3	100	27.6	26.0	6
PAT Margin (%)	6.9%	3.7%		4.4%	4.5%	
Group profit attributable to owners of the parent ("PATMI") from continuing operations	22.6	11.2	101	27.5	25.7	7

The increase in Group PBT excluding exceptional items and GBKL impairment for 2H 2023 and FY 2023 as compared to 2H 2022 and FY 2022 respectively was largely due to lower foreign currency translation losses, lower amortisation and depreciation expense as well as effects of overall increased sales and higher interest income. Group PBT excluding exceptional items and GBKL impairment improved by 70% from \$14.1 million for 2H 2022 to \$23.9 million for 2H 2023, and 62% from \$22.6 million for FY 2022 to \$36.7 million for FY 2023. Group income tax expense decreased by 5% or \$0.4 million to \$7.3 million for 2H 2023 as compared with \$7.7 million for 2H 2022 mainly due to higher under provision of tax for prior years taken up in 2H 2022, and increased by 20% from \$11.1 million in FY 2022 to \$13.4 million in FY 2023 in line with the higher PBT.

Group PAT from continuing operations increased by \$11.3 million or 100% to \$22.6 million in 2H 2023 as compared with \$11.3 million for 2H 2022, and \$1.6 million or 6% to \$27.6 million in FY 2023 as compared with \$26.0 million for FY 2022. Group PATMI from continuing operations increased by \$11.4 million or 101% to \$22.6 million in 2H 2023 as compared with \$11.2 million for 2H 2022, and \$1.8 million or 7% to \$27.5 million in FY 2023 as compared with \$25.7 million for FY 2022.

8. Review of the performance of the group (cont'd)

INCOME STATEMENT (cont'd)

STATEMENT OF FINANCIAL POSITION

Inventories declined by 10% from \$54.3 million as at end of FY 2022 to \$49.1 million as at end of FY 2023 due mainly to the reduction of inventory holdings in the Distribution & Warehousing business segment, as more inventories were stocked up as at end of FY 2022 in view of the then uncertainty in interruptions to supply chains. In addition, spare parts relating to certain Plant and Equipment of a subsidiary involved in the Bakery segment have been reclassified to Assets classified as held for sale due to the subsidiary's intention to sell those assets.

Trade receivables increased by 19% or \$15.2 million from \$78.5 million as at end of FY 2022 to \$93.7 million as at end of FY 2023, in line with higher sales from both Bakery and Distribution & Warehousing business segments as well as reflecting the challenging economic environment on collection periods.

Assets classified as held for sale as at end of FY 2023 pertains to certain Plant and Equipment and the related spare parts of a subsidiary that were earmarked to be sold.

Right-of-use assets decreased by 11% or \$2.1 million from \$19.3 million at end of FY 2022 to \$17.2 million as at end of FY 2023, due to depreciation of \$3.7 million, partly offset by additions during the year.

Investment in joint venture and associate decreased by 28% or \$17.7 million from \$64.3 million as at end of FY 2022 to \$46.6 million as at end of FY 2023 due to the Group's share of losses of \$8.4 million on the Group's investment in its Malaysian joint venture (Please refer to page 3 of this announcement), dividends received and lower Singapore Dollar equivalent on the Malaysian investment due to a weaker Malaysian Ringgit in FY 2023. The voluntary liquidation of the Group's 24.5% investment in associate, Gardenia Bakery Trading Co. Ltd., was completed in FY 2023 and accordingly, a loss on liquidation of \$35,000 was recognised in the profit and loss account.

Other payables (current) increased by 12% from \$49.2 million at end of FY 2022 to \$55.2 million as at end of FY 2023, due mainly to higher operating expenses incurred, in line with the higher revenue.

Total short-term and long-term borrowings increased by 44% from \$20.8 million as at end of FY 2022 to \$30.0 million as at end of FY 2023 mainly due to the drawdown of loans for the replacement and reinstatement of the damaged production lines in connection with the severe flooding at one of the Group's Malaysian factories in December 2021, whilst awaiting the finalisation of the insurance claims. Including lease liabilities, the Group's gross gearing ratio was 0.10 times as at 31 December 2023 compared to 0.08 times as at 31 December 2022.

Income tax payable increased by \$2.0 million from \$2.6 million at end of FY 2022 to \$4.6 million as at end of FY 2023, due mainly to higher operating profits.

At the end of FY 2023, the Group's cash and cash equivalent of \$215.7 million was higher than its debt of \$48.9 million, resulting in a net cash position of \$166.8 million. This had decreased from \$175.0 million as at end of FY 2022.

STATEMENT OF CASH FLOWS

Cash and cash equivalents for the Group decreased by \$1.1 million from \$216.8 million as at end of FY 2022 to \$215.7 million as at end of FY 2023. Capital expenditure outflow of \$39.7 million and dividend payment of \$28.8 million were offset by cash from operating activities of \$57.6 million and net financing inflows from borrowings and leasing of \$6.0 million.

8. Review of the performance of the group (cont'd)

The performance review of the Group's business segments is as follows:

BAKERY AND JOINT VENTURE CONTRIBUTION

The Group's Bakery segment sales increased by 7% (10% in constant currency) to \$239.4 million for 2H 2023, and 9% (13% in constant currency) to \$455.5 million for FY 2023. The increases were driven by underlying growth across all our core markets.

GBKL's sales, which were not included in the Group's revenue, decreased by 4% or \$8.1 million from \$218.8 million in 2H 2022 to \$210.7 million in 2H 2023, and 2% or \$7.9 million from \$413.0 million in FY 2022 to \$405.1 million in FY 2023. In constant currency terms, GBKL revenue increased by 2% for 2H 2023 and 4% for FY 2023.

The increased sales contributed to the improved Bakery EBITDA. The Group's Bakery segment EBITDA before exceptional items increased by 11% for 2H 2023 and 12% for FY2023, from \$28.4 million for 2H 2022 to \$31.6 million for 2H 2023 and from \$50.5 million for FY 2022 to \$56.4 million for FY 2023. Overall EBITDA margin (before exceptional items) for the Bakery segment was constant at 13% for 2H 2023 and 2H 2022 and at 12% for FY 2023 and FY 2022.

The Group recognised a non-cash impairment of \$9.5 million on the Group's investment in its joint venture in FY 2023, compared to \$5.0 million in 2H 2022 and FY2022 (see section 1(a)(ii)(b) on page 3). The share of operating profits of joint venture, before the Group's impairment provision on its investment, was \$1.9 million for 2H 2023 and \$1.1 million for FY 2023, down from \$3.9 million in 2H 2022 and \$7.7 million in FY 2022 respectively, and the decline was due to inflationary pressures on raw material costs and operating overheads. Accordingly, after impairment provision on its investment, the Group recorded a share of profits of joint venture of \$1.6 million in 2H 2023 as compared to a share of losses of joint venture of \$1.1 million in 2H 2022. The Group's share of losses of joint venture, after impairment provision on its investment, was \$8.4 million in FY2023, as compared to share of profits of joint venture of \$2.7 million in FY 2022.

Including joint venture contribution, the EBITDA before exceptional items for the Bakery increased by 19% or \$5.8 million from \$30.9 million for 2H 2022 to \$36.7 million for 2H 2023 and reduced by 9% or \$5.3 million from \$60.0 million for FY 2022 to \$54.7 million for FY 2023.

In January 2024, the Group invested in 70% of the issued capital of a newly incorporated Malaysian company, Yuka Food Industries Sdn Bhd, to focus on the manufacture and distribution of new snack products in Malaysia. The initial investment, upon incorporation, in cash, amounted to 7 Malaysian Ringgit. The remaining shareholder is Win Win Capital Sdn Bhd, an unrelated party.

DISTRIBUTION & WAREHOUSING

Distribution & Warehousing segment achieved increase in revenue by 4% or \$3.5 million to \$81.9 million for 2H 2023, up from \$78.4 million for 2H 2022, and 8% or \$12.2 million to \$162.2 million for FY 2023, up from \$150.0 million for FY 2022. Major contributors were higher sales to food services and retail supermarkets, partly offset by lower export sales.

EBITDA for 2H 2023 decreased to \$3.0 million as compared with \$4.6 million for 2H 2022 and decreased to \$7.5 million for FY 2023 as compared with \$7.8 million for FY 2022. The lower EBITDA was due to higher operating costs incurred, particularly logistics and storage costs.

In February 2024, the Group incorporated a wholly owned subsidiary, Ben Foods Export Private Limited, with issued and paid-up capital of \$50,000 that will focus on wholesale of food products.

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

In line with the Company's announcement dated 5 February 2024, the Group has reported a significant improvement for 2H 2023 of 101%, and for FY 2023 of 42% in its profit attributable to owners of the Company, compared to the same period last year. The details of this improvement have been elaborated in section 8 above.

10. A commentary at the date of 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's operations are located across various geographical regions, all of which have incurred varying degrees of economic uncertainty and inflation. A high-cost environment has remained over the past year, especially in relation to labour, certain key raw material costs, and electricity. Labour costs continue to grow in a tight labour market fueled by cost-of-living pressures and government measures such as minimum wage increases. Whilst most raw material costs have been stabilizing, and some are on a downward trend, commodity prices remain uncertain. Although inflation is gradually declining, this higher cost of living coupled with slowing economic growth have brought about increasing consumer sensitivity to product prices.

The Group will continuously review its operations, seek to improve efficiency, optimize manufacturing capacity and implement cost management improvements.

Our focus remains on stable revenue growth by increasing our distribution routes and channels, developing new products, and making strategic pricing and product mix adjustments to strengthen our competitive position.

Leveraging the strengths of our distribution and supply chain network, we will continue to pursue the expansion of trading activities, with a concentration on long shelf-life products, and any opportunities to grow into new regions.

The Group has successfully reinstated the production lines at our Malaysian factory that had been damaged by floods in December 2021. Now fully operational, the factory can support the normalisation of production and supply of bakery products in Malaysia. The Group, including its joint venture GBKL, will continue to finalise its remaining insurance claims.

Foreign currency exchange rate movements have been volatile and may continue to impact both the reported results and our business operations in foreign markets.

The global economic outlook, combined with geopolitical events, brings an element of uncertainty, particularly to supply chains and the Group is mindful of any potential headwinds that this projection may bring. Our strong balance sheet should enable the Group to withstand any unexpected financial stresses whilst pursuing suitable growth opportunities.

11. Dividends

(a) Current financial period reported on

Any dividend declared Yes

	Interim (paid)	Proposed Final Dividend
Dividend type	Cash	Cash
Dividend rate	1 cent per ordinary share	4 cents per ordinary share
Tax rate	Exempt 1 tier	Exempt 1 tier

The QAF Scrip Dividend Scheme will not apply to the proposed final dividend.

(b) Previous corresponding period

Any dividend declared Yes

	Interim	Special	Final Dividend
Dividend type	Cash	Cash	Cash
Dividend rate	1 cent per ordinary share	2 cents per ordinary share	4 cents per ordinary share
Tax rate	Exempt 1 tier	Exempt 1 tier	Exempt 1 tier

(c) Date payable To be announced later

(d) Book closing date To be announced later

12. If no dividend has been declared or recommended, a statement to the 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.

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than \$100,000) (S\$'000)
Salim Group - Purchase of raw materials including flour	See Note ⁽¹⁾	17,141
Salim Group - Purchase of finished products (vegetables)	See Note ⁽¹⁾	153
Austral Dairy Group Sdn. Bhd. - Sale of products (cheese)	Entity in which Mr Lam Sing Chung and an immediate family member of Ms Rachel Liem Yuan Fang have an interest	2,828
Austral Dairy Group Sdn. Bhd. - Purchase of finished products (processed cheese)	Entity in which Mr Lam Sing Chung and an immediate family member of Ms Rachel Liem Yuan Fang have an interest	3,117
	TOTAL	23,239

Note:

⁽¹⁾ Salim Group refers to Mr Anthoni Salim and the group of companies controlled by him or, if the context requires, Mr Anthoni Salim. Mr Anthoni Salim is an immediate family member of Mr Lam Sing Chung.

14. Confirmation that the Issuer has procured undertakings from all its Directors and Executive Officers

The Company confirms that it has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the Listing Manual.

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the company's most recently audited financial statements, with comparative information for the immediately preceding year.**

Segment Information

(In Singapore Dollars)

	Bakery \$'000	Distribution & warehousing \$'000	Investments & others \$'000	Adjustments & eliminations \$'000	Consolidated \$'000
<u>Revenue and expenses 2H 2023</u>					
Revenue from external customers	235,792	80,922	3,452	-	320,166
Other revenue from external customers	3,254	305	(25)	-	3,534
Inter-segment revenue	306	692	8,714	(9,712)	-
	<u>239,352</u>	<u>81,919</u>	<u>12,141</u>	<u>(9,712)</u>	<u>323,700</u>
Unallocated revenue					3,265
Total revenue					<u>326,965</u>
Segment EBITDA	31,637	3,040	4,052	-	38,729
Amortisation and depreciation	(11,691)	(1,797)	(168)	-	(13,656)
Segment EBIT	<u>19,946</u>	<u>1,243</u>	<u>3,884</u>	-	<u>25,073</u>
Unallocated revenue					3,265
Unallocated expenses					(5,405)
Profit from operating activities					<u>22,933</u>
Finance costs					(981)
Exceptional items					6,310
Share of profits of joint venture	1,634	-	-	-	<u>1,634</u>
Profit before tax					<u>29,896</u>
Income tax expense					(7,287)
Profit after tax					<u><u>22,609</u></u>
<u>Timing of transfer of goods or services</u>					
At a point in time	239,033	78,552	(21)	-	317,564
Over time	318	2,682	6,401	-	9,401
	<u>239,351</u>	<u>81,234</u>	<u>6,380</u>	-	<u>326,965</u>
<u>Revenue and expenses 2H 2022</u>					
Revenue from external customers	220,648	77,436	3,723	-	301,807
Other revenue from external customers	3,128	429	(1)	-	3,556
Inter-segment revenue	186	536	8,464	(9,186)	-
	<u>223,962</u>	<u>78,401</u>	<u>12,186</u>	<u>(9,186)</u>	<u>305,363</u>
Unallocated revenue					1,688
Total revenue					<u>307,051</u>
Segment EBITDA	28,486	4,586	(1,945)	-	31,127
Amortisation and depreciation	(11,847)	(1,794)	(163)	-	(13,804)
Segment EBIT	<u>16,639</u>	<u>2,792</u>	<u>(2,108)</u>	-	<u>17,323</u>
Unallocated revenue					1,688
Unallocated expenses					(7,952)
Profit from operating activities					<u>11,059</u>
Finance costs					(858)
Exceptional items					9,927
Share of losses of joint venture	(1,114)	-	-	-	<u>(1,114)</u>
Profit before tax					<u>19,014</u>
Income tax expense					(7,705)
Profit after tax					<u><u>11,309</u></u>
<u>Timing of transfer of goods or services</u>					
At a point in time	223,762	75,685	(27)	-	299,420
Over time	218	2,211	5,202	-	7,631
	<u>223,980</u>	<u>77,896</u>	<u>5,175</u>	-	<u>307,051</u>

15. Segment Information (cont'd)
(In Singapore Dollars)

	Bakery \$'000	Distribution & warehousing \$'000	Investments & others \$'000	Adjustments & eliminations \$'000	Consolidated \$'000
Revenue and expenses FY 2023					
Revenue from external customers	449,134	160,437	6,690	-	616,261
Other revenue from external customers	5,637	529	72	-	6,238
Inter-segment revenue	701	1,223	17,257	(19,181)	-
	<u>455,472</u>	<u>162,189</u>	<u>24,019</u>	<u>(19,181)</u>	<u>622,499</u>
Unallocated revenue					6,091
Total revenue					<u>628,590</u>
Segment EBITDA	56,441	7,498	5,686	-	69,625
Amortisation and depreciation	(20,945)	(3,555)	(362)	-	(24,862)
Segment EBIT	<u>35,496</u>	<u>3,943</u>	<u>5,324</u>	-	<u>44,763</u>
Unallocated revenue					6,091
Unallocated expenses					(13,212)
Profit from operating activities					<u>37,642</u>
Finance costs					(2,080)
Exceptional items					13,795
Share of losses of joint venture	(8,366)	-	-	-	(8,366)
Profit before tax					<u>40,991</u>
Income tax expense					(13,412)
Profit after tax					<u><u>27,579</u></u>
Timing of transfer of goods or services					
At a point in time	454,750	155,859	72	-	610,681
Over time	540	5,124	12,245	-	17,909
	<u>455,290</u>	<u>160,983</u>	<u>12,317</u>	-	<u>628,590</u>
Revenue and expenses FY 2022					
Revenue from external customers	413,921	148,316	6,944	-	569,181
Other revenue from external customers	5,474	622	70	-	6,166
Inter-segment revenue	360	1,084	16,525	(17,969)	-
	<u>419,755</u>	<u>150,022</u>	<u>23,539</u>	<u>(17,969)</u>	<u>575,347</u>
Unallocated revenue					2,176
Total revenue					<u>577,523</u>
Segment EBITDA	50,545	7,820	(1,604)	-	56,761
Amortisation and depreciation	(24,781)	(3,462)	(306)	-	(28,549)
Segment EBIT	<u>25,764</u>	<u>4,358</u>	<u>(1,910)</u>	-	<u>28,212</u>
Unallocated revenue					2,176
Unallocated expenses					(13,817)
Profit from operating activities					<u>16,571</u>
Finance costs					(1,676)
Exceptional items					19,536
Share of profits of joint venture	2,720	-	-	-	2,720
Profit before tax					<u>37,151</u>
Income tax expense					(11,147)
Profit after tax					<u><u>26,004</u></u>
Timing of transfer of goods or services					
At a point in time	419,369	144,469	72	-	563,910
Over time	343	4,472	8,798	-	13,613
	<u>419,712</u>	<u>148,941</u>	<u>8,870</u>	-	<u>577,523</u>

15. **Segment Information (cont'd)**
(In Singapore Dollars)

	Bakery \$'000	Distribution & warehousing \$'000	Investments & others \$'000	Consolidated \$'000
<u>Assets and liabilities 31 December 2023</u>				
Segment assets	354,119	94,111	163,442	611,672
Investment in joint venture	46,605	-	-	46,605
Total assets	400,724	94,111	163,442	658,277
Deferred tax assets				3,964
Tax recoverable				6,919
Total assets per consolidated statement of financial position				669,160
Segment liabilities	98,236	34,746	6,623	139,605
Income tax payable				4,626
Deferred tax liabilities				6,442
Bank borrowings				30,005
Total liabilities per consolidated statement of financial position				180,678
<u>Assets and liabilities 31 December 2022</u>				
Segment assets	333,941	91,350	164,426	589,717
Investment in joint venture and associate	64,312	-	-	64,312
Total assets	398,253	91,350	164,426	654,029
Deferred tax assets				3,203
Tax recoverable				7,527
Total assets per consolidated statement of financial position				664,759
Segment liabilities	91,544	37,099	7,657	136,300
Income tax payable				2,596
Deferred tax liabilities				5,557
Bank borrowings				20,847
Total liabilities per consolidated statement of financial position				165,300
<u>Other segment information 2023</u>				
Expenditure for non-current assets	39,040	1,802	69	40,911
Allowance for inventories charged and inventories written off, net	66	213	-	279
Allowance for receivables charged and bad debts written off, net	623	45	-	668
<u>Other segment information 2022</u>				
Expenditure for non-current assets	23,558	2,719	414	26,691
Allowance for inventories charged and inventories written off, net	714	1,297	-	2,011
Allowance for receivables (written-back)/ charged and bad debts written off, net	(121)	109	-	(12)

15. Segment Information (cont'd)
(In Singapore Dollars)

	Revenue		Non-current assets	
	FY 2023	FY 2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000
Philippines	282,684	268,647	77,877	79,707
Singapore	225,020	205,918	52,850	60,928
Malaysia	65,953	51,308	79,670	61,712
Australia	45,329	38,548	20,117	20,431
Other countries	9,604	13,102	-	-
	<u>628,590</u>	<u>577,523</u>	<u>230,514</u>	<u>222,778</u>

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets and intangibles as presented in the consolidated statement of financial position.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Section 8.

17. A breakdown of sales as follows:

	Group				
	Continuing operations		Discontinued operations		
	2023	2022	2023	2022	+ / (-)
	\$'000	\$'000	\$'000	\$'000	%
Revenue reported for first half year	301,625	270,472	-	-	12
Profit/(loss) after tax before deducting non-controlling interests for the first half year	4,970	14,695	-	(6,339)	(41)
Revenue reported for second half year	326,965	307,051	-	-	6
Profit after tax before deducting non-controlling interests for the second half year	22,609	11,309	-	-	100

18. A breakdown of the total annual dividend for the company's latest full year and its previous full year as follows:-

	Full Year	Full Year
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Ordinary dividend	28,763	28,763
Special dividend	-	11,506
Total	<u>28,763</u>	<u>40,269</u>

19. Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, set out below are details of each person occupying a managerial position in the Company and/or its principal subsidiaries who is a relative of a Director or chief executive officer or substantial shareholder of the Company:

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lin Kejian	45	Son of Mr Lam Sing Chung (Chairman and a controlling shareholder of the Company)	<p>Mr Lin was appointed as Joint Group Managing Director with effect from 1 January 2017.</p> <p>As Joint Group Managing Director, Mr Lin together with our other Joint Group Managing Director, is responsible for the leadership and overall management of QAF and overall oversight of the QAF group of companies and is tasked to set strategic objectives and implement such objectives to achieve the long-term growth and value creation for the QAF Group.</p>	Not applicable.

BY ORDER OF THE BOARD

Serene Yeo
Company Secretary
23 February 2024