

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

1(a)(i) Consolidated Statement of Comprehensive Income

	6 Months	
	01.01.2020 to 30.06.2020	01.01.2019 to 30.06.2019
	S\$'000	S\$'000
Revenue	162,465	186,379
Cost of sales	(114,692)	(124,725)
Gross profit	47,773	61,654
Other income	4,450	3,652
Other gains and (losses) - net		
- Fair value and disposal (losses)/gains on financial assets	(19)	3,632
- Others	486	13,940
Expenses		
- Advertising and promotion	(13,497)	(16,343)
- Marketing	(599)	(724)
- Selling and distribution	(28,848)	(30,973)
- Administrative	(17,236)	(15,921)
- Finance	(325)	(365)
Share of profit of associated companies and a joint venture	856	417
(Loss)/Profit before income tax	(6,959)	18,969
Income tax credit/(expense)	230	(4,378)
Net (loss)/profit for the period attributable to equity holders of the Company	(6,729)	14,591
Other comprehensive income/(losses)		
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedges		
- Fair value gains/(losses)	107	(52)
- Reclassification	(62)	56
Currency translation gains/(losses) arising from consolidation	1,641	(2,153)
	1,686	(2,149)
Items that will not be reclassified subsequently to profit or loss:		
Financial assets, at fair value through other comprehensive income		
- Fair value gains	232	-
Other comprehensive income/(losses) for the period, net of tax	1,918	(2,149)
Total comprehensive (losses)/income attributable to equity holders of the Company	(4,811)	12,442

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Net (loss)/profit for the period is derived after (crediting)/charging the following:

	6 Months	
	01.01.2020 to 30.06.2020	01.01.2019 to 30.06.2019
	S\$'000	S\$'000
<u>Cost of sales</u>		
Depreciation	3,815	3,159
Amortisation of intangible assets	103	86
Write-down of inventories, net	2,688	1,083
<u>Marketing expense</u>		
Depreciation	3	6
<u>Selling and distribution expenses</u>		
Depreciation	2,227	2,184
Impairment of trade receivables - net	601	139
<u>Administrative expense</u>		
Depreciation	2,118	2,329
Amortisation of intangible assets	34	-
Amortisation of capitalised letting fees	34	-
<u>Other (gains) and losses - net</u>		
Fair value and disposal losses/(gains) on financial assets designated as fair value through profit or loss at initial recognition - net	19	(3,632)
Currency translation gain - net	(381)	(5)
Loss/(Gain) on disposal of property, plant and equipment - net	22	(13,710)
Gain on disposal of investment properties	-	(28)
<u>Other income</u>		
Interest income	(1,840)	(2,486)
<u>Finance expense</u>		
Interest expense on lease liabilities	325	365
<u>Income tax</u>		
Under provision of tax in respect of prior years	85	701

1(b) Balance Sheets

	Group		Company	
	As at 30.06.2020	As at 31.12.2019	As at 30.06.2020	As at 31.12.2019
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	276,795	295,751	19,112	14,877
Trade and other receivables	65,550	72,795	70,627	64,473
Inventories	48,056	54,716	-	-
Current income tax recoverable	1,371	1,516	-	-
	391,772	424,778	89,739	79,350
Non-current assets				
Trade and other receivables	4,666	3,744	-	-
Other financial assets	2,041	53	-	-
Loans to subsidiaries	-	-	41,052	41,052
Investments in associated companies	5,531	4,656	-	-
Investment in a joint venture	645	646	-	-
Investments in subsidiaries	-	-	317,758	317,758
Investment properties	52,239	52,312	79,632	79,883
Property, plant and equipment	220,881	223,543	3,293	2,587
Intangible assets	5,110	5,246	-	-
Deferred income tax assets	3,685	2,592	-	-
	294,798	292,792	441,735	441,280
Total assets	686,570	717,570	531,474	520,630
LIABILITIES				
Current liabilities				
Trade and other payables	60,118	61,986	82,138	55,723
Current income tax liabilities	2,095	6,287	133	133
Lease liabilities	2,532	2,576	287	268
	64,745	70,849	82,558	56,124
Non-current liabilities				
Lease liabilities	17,308	19,161	13,921	14,615
Provisions for other liabilities and charges	1,788	1,741	-	-
Deferred income tax liabilities	9,240	10,122	646	617
	28,336	31,024	14,567	15,232
Total liabilities	93,081	101,873	97,125	71,356
NET ASSETS	593,489	615,697	434,349	449,274
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	228,245	228,245	228,245	228,245
Capital reserve	6,066	6,066	-	-
Other reserves	(44,394)	(46,293)	-	-
Retained profits	403,572	427,679	206,104	221,029
TOTAL EQUITY	593,489	615,697	434,349	449,274

1(b)(i) Aggregate amount of group's borrowings and debt securities

The Group and the Company do not have any borrowings and debt securities.

Details of any collateral

Not applicable.

1(c) Consolidated Statement of Cash Flows

	6 Months	
	30.06.2020	30.06.2019
	S\$'000	S\$'000
Cash flows from operating activities		
Net (loss)/profit for the period	(6,729)	14,591
Adjustments for :		
Income tax (credit)/expense	(230)	4,378
Depreciation of property, plant and equipment	8,163	7,678
Unrealised currency translation differences	(582)	159
Loss/(Gain) on disposal of property, plant and equipment - net	22	(13,710)
Gain on disposal of investment properties	-	(28)
Fair value and disposal losses/(gains) on financial assets designated as fair value through profit or loss at initial recognition - net	19	(3,632)
Amortisation of intangible assets	137	86
Amortisation of capitalised letting fees	34	-
Interest expense	325	365
Interest income	(1,840)	(2,486)
Provision for retirement benefits	101	102
Share of profit of associated companies and a joint venture	(856)	(417)
	(1,436)	7,086
Changes in working capital :		
Trade and other receivables	7,392	(17,194)
Inventories	6,609	15,908
Trade and other payables	(1,904)	(3,469)
Cash generated from operations	10,661	2,331
Income tax paid	(5,890)	(835)
Retirement benefits paid	(44)	(92)
Net cash provided by operating activities	4,727	1,404

1(c) Consolidated Statement of Cash Flows (continued)

	6 Months	
	30.06.2020	30.06.2019
	S\$'000	S\$'000
Cash flows from investing activities		
Payments for intangible assets	-	(2,403)
Proceeds from disposal of property, plant and equipment	5	14,620
Proceeds from disposal of investment properties	-	9,076
Proceeds from disposal of financial assets, at fair value through profit or loss	-	13,599
Payments for purchases of and deposits for property, plant and equipment	(5,581)	(3,271)
Additions to financial assets, at fair value through other comprehensive income	(1,775)	-
Additions to financial assets, at fair value through profit or loss	-	(30,000)
Interest received	1,840	2,486
Net cash (used in)/provided by investing activities	(5,511)	4,107
Cash flows from financing activities		
Dividends paid	(17,397)	(23,196)
Interest paid	(325)	(365)
Repayments of lease liabilities	(1,523)	(1,277)
Net cash used in financing activities	(19,245)	(24,838)
Net decrease in cash and cash equivalents	(20,029)	(19,327)
Cash and cash equivalents at beginning of financial period	295,751	282,729
Effects of currency translation on cash and cash equivalents	1,073	(409)
Cash and cash equivalents at end of financial period	276,795	262,993

1(d)(i) Consolidated Statement of Changes in Equity

For the financial period ended 30 June 2020

	<u>Attributable to equity holders of the Company</u>								
	Share capital \$'000	Capital reserve \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Hedging reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 January 2020	228,245	6,066	3,268	-	(11,129)	(38,384)	(48)	427,679	615,697
Loss for the period	-	-	-	-	-	-	-	(6,729)	(6,729)
Other comprehensive income for the period	-	-	-	232	1,641	-	45	-	1,918
Transfer to retained profits on realisation	-	-	(12)	-	-	(7)	-	19	-
Total comprehensive losses for the period	-	-	(12)	232	1,641	(7)	45	(6,710)	(4,811)
Dividends paid	-	-	-	-	-	-	-	(17,397)	(17,397)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	(17,397)	(17,397)
Balance at 30 June 2020	228,245	6,066	3,256	232	(9,488)	(38,391)	(3)	403,572	593,489

1(d)(i) Consolidated Statement of Changes in Equity (continued)

For the financial period ended 30 June 2019

	<u>Attributable to equity holders of the Company</u>								
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Property revaluation reserve</u>	<u>Fair value reserve</u>	Foreign	<u>General reserve</u>	<u>Hedging reserve</u>	<u>Retained profits</u>	<u>Total equity</u>
					<u>currency translation reserve</u>				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2019	228,245	6,066	6,669	-	(9,172)	(38,335)	-	435,446	628,919
Profit for the period	-	-	-	-	-	-	-	14,591	14,591
Other comprehensive losses for the period	-	-	-	-	(2,153)	-	4	-	(2,149)
Transfer to retained profits on realisation	-	-	(3,337)	-	-	(8)	-	3,345	-
Total comprehensive income for the period	-	-	(3,337)	-	(2,153)	(8)	4	17,936	12,442
Dividends paid	-	-	-	-	-	-	-	(23,196)	(23,196)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	(23,196)	(23,196)
Balance at 30 June 2019	228,245	6,066	3,332	-	(11,325)	(38,343)	4	430,186	618,165

1(d)(i) Statement of Changes in Equity of the Company

For the financial period ended 30 June 2020

	<u>Share capital</u> \$'000	<u>Retained profits</u> \$'000	<u>Total</u> \$'000
Balance at 1 January 2020	228,245	221,029	449,274
Profit and total comprehensive income for the period	-	2,472	2,472
Dividends paid	-	(17,397)	(17,397)
Total transactions with owners, recognised directly in equity	-	(17,397)	(17,397)
Balance at 30 June 2020	228,245	206,104	434,349

For the financial period ended 30 June 2019

	<u>Share capital</u> \$'000	<u>Retained profits</u> \$'000	<u>Total</u> \$'000
Balance at 1 January 2019	228,245	246,899	475,144
Profit and total comprehensive income for the period	-	4,691	4,691
Dividends paid	-	(23,196)	(23,196)
Total transactions with owners, recognised directly in equity	-	(23,196)	(23,196)
Balance at 30 June 2019	228,245	228,394	456,639

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

Issued and fully paid ordinary shares ('000):

As at beginning and end of period

6 months ended 30.06.2020
579,911

The Company does not have any convertibles.

1(d)(iii) To show number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at end of the current financial period and as at end of the immediately preceding year.

The Company does not have any treasury shares.

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

Number of issued shares excluding treasury shares ('000)

30.06.2020	31.12.2019
579,911	579,911

The Company does not have any treasury shares.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 30 June 2020 (31 December 2019: Nil).

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 qualifications or emphasis of matter).

Not applicable.

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

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 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.

Not applicable.

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.

Earnings per ordinary share of the Group

	Group	
	6 Months	
	01.01.2020 to 30.06.2020	01.01.2019 to 30.06.2019
Earnings per ordinary share for the period based on net (loss)/profit attributable to equity holders of the Company during the period:-		
(a) Based on weighted average number of ordinary shares in issue (cents)	(1.16)	2.52
(b) On a fully diluted basis (cents)	(1.16)	2.52
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	579,911	579,911
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	579,911	579,911

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.

	Group		Company	
	30.06.2020 Cents	31.12.2019 Cents	30.06.2020 Cents	31.12.2019 Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	102.34	106.17	74.90	77.47

Included in net asset value per ordinary share of the Group is 47.73 cents of cash and cash equivalents per ordinary share as at 30 June 2020 (31 December 2019: 51.00 cents of cash and cash equivalents per ordinary share).

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.

8(a) Year to Date Results - 6 months ended 30 June 2020 vs. 6 months ended 30 June 2019

Group performance

The revenue and gross profit decreased by 12.8% and 22.5% to \$162.47 million and \$47.77 million respectively for the financial period ended 30 June 2020 as compared to the corresponding financial period last year mainly due to lower beverage sales as a result of sales channel disruptions and softness in consumer spending amidst COVID-19 outbreak and restriction measures. Overall, net profit after tax of the Group decreased by \$21.32 million from \$14.59 million net profit recorded in the corresponding financial period last year to a net loss of \$6.73 million in the current financial period. This was due to the absence of \$14.14 million one-off gains on asset disposals and fair value gains on financial assets which were recorded in the corresponding financial period last year and the impact of COVID-19 pandemic on sales and margins.

8(b) Balance Sheets – 30 June 2020 vs. 31 December 2019

Group

Cash and cash equivalents decreased by \$18.95 million from \$295.75 million as at 31 December 2019 to \$276.80 million as at 30 June 2020. The decrease was mainly due to dividends paid to equity holders of the Company. Please refer to Note 8(c) for more details.

Trade and other receivables (current and non-current) decreased by \$6.32 million from \$76.54 million as at 31 December 2019 to \$70.22 million as at 30 June 2020. The decrease was mainly due to lower sales and collection from customers.

Inventories decreased by \$6.66 million from \$54.72 million as at 31 December 2019 to \$48.06 million as at 30 June 2020. The decrease was mainly due to the sell-down of stocks after the festive seasons.

Company

Trade and other receivables increased by \$6.16 million from \$64.47 million as at 31 December 2019 to \$70.63 million as at 30 June 2020 mainly due to increase in advance to subsidiaries.

Trade and other payables increased by \$26.42 million from \$55.72 million as at 31 December 2019 to \$82.14 million as at 30 June 2020 mainly due to increase in advance from subsidiaries.

Included in trade and other receivables and trade and other payables of the Company as at 30 June 2020 are intercompany balances of \$70.04 million and \$80.56 million respectively (31 December 2019: \$64.08 million and \$53.74 million respectively).

8(c) Consolidated Statement of Cash Flows

Year to Date - 6 months ended 30 June 2020 vs. 6 months ended 30 June 2019

The Group registered a net decrease in cash and cash equivalents of \$18.96 million for the financial period ended 30 June 2020.

Net operating cash inflow for the Group of \$4.73 million was mainly contributed by the F&B division.

Net cash outflow from investing activities of \$5.51 million was mainly due to payments for purchases of and deposits for property, plant and equipment of \$5.58 million.

Net cash outflow from financing activities of \$19.25 million was mainly due to dividends paid to equity holders of the Company of \$17.40 million.

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

Not applicable.

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 year and the next 12 months.

In the next 12 months, the COVID-19 pandemic is expected to continue to adversely impact the Group's revenue and profit due to softness in consumer spending, disruptions to operations and sales channels as well as higher operating costs. The Group has both food and beverage offerings in its portfolio. Thus far, the food business represents a smaller proportion of our total revenue and has shown stronger resilience than beverage business during the pandemic. Fluctuations in currencies and raw material prices are expected to continue and will also affect the Group's results.

The Group will continue to focus on adapting and executing commercial strategies, rolling out new products, strengthening supply chain resilience and driving productivity. While the Group is in a robust financial position to navigate through this crisis, the COVID-19 pandemic will continue to result in significant market and business uncertainty, particularly in the near term.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events

11. Contingent Liability

None.

12. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Period

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

Name of Dividend	Special
Dividend type	Cash
Dividend amount	S\$0.01 per ordinary share
Tax rate	Tax-exempt (1-tier)

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend is recommended for the financial period reported on.

14. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions.

15. Confirmation that 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 required under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Neoh Sue Lynn
Company Secretary
7 August 2020

STATEMENT PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the period ended 30 June 2020 to be false or misleading in any material respect.

On behalf of the Directors



NG WIN KONG DARYL
Director



CHIN YOKE CHOONG
Director

7 August 2020