



MEDIA RELEASE

YEO HIAP SENG REPORTS NET LOSS FOR 1HFY20 DUE LARGELY TO COVID-19

- *Net attributable loss of \$6.7 million against profit of \$14.6 million for six months ended 30 June 2020*
- *Excluding one-off gains, net attributable loss was \$6.7 million in 1HFY20 compared with a net profit of \$0.5 million in the previous corresponding period*
- *Revenue down 12.8% to \$162.5 million as Covid-19 disrupts operations and sales channels*
- *Balance sheet remains strong with cash and cash equivalents totaling \$276.8 million and no gearing*

7 August 2020, Singapore – Yeo Hiap Seng Limited (YHS), one of the region’s leading food and beverage companies, today reported a loss for the first six months of the year, reflecting the impact of Covid-19 lockdowns in key markets around the world and the absence of one-off gains from the sales of properties recorded in the same period last year.

Group net loss attributable to shareholders totalled \$6.7 million for the half-year ended 30 June 2020 (1HFY20) compared to a profit of \$14.6 million in the previous corresponding period. The bottom line was affected by lower sales and the absence of the \$14.1 million one-off gains on asset disposals and fair value gains on financial assets in 1HFY19. Excluding the one-off gains which was materialised last year, net loss from core operations was \$6.7 million in 1HFY20 compared with net profit of \$0.5 million in the corresponding period.

Revenue was down 12.8% to \$162.5 million, the contraction driven by softness in consumer spending and disruptions in operations and sales channels due to Covid-19. During the period under review, operations of food and beverage outlets in key markets were significantly disrupted as governments imposed lockdowns to curb the spread of the coronavirus. The Group saw a decline in sales in most markets except Greater China.

Group Chief Executive Officer Samuel Koh said: “Like many of our peers, this has been a challenging first half, reflecting the immediate impact of Covid-19 lockdowns with disruptions in sales and supply chains.

“On the positive side, sales of our evergreen food portfolio grew and helped cushion the decline in sales of beverages. Moreover, sales have picked up in markets that have partially lifted lockdown measures and we believe this momentum will improve if and when more countries open up their economies and ease restrictions.

“As we navigate this unprecedented crisis, we have to remain focussed on improving our commercial and supply fundamentals while driving productivity and mitigating the negative impact of Covid-19. At the same time, we continue to look for ways to serve our community and bring the magic back to this iconic brand. As a homegrown Singaporean enterprise, the



Group participated in this year's National Day with "Special Edition" Yeo's drinks handed out as one of the items in the NDP fun packs. This was very well received by Singaporean households."

Mr Koh took over as Group CEO from Mr Melvin Teo on 14 March 2020 and has started the Group's transformation journey by building organisational capabilities with leadership renewals in key markets and key functions, making changes to management of sales channels, improving supply chain resilience and driving productivity.

YHS is in a robust financial position to navigate the economic downturn. The Group's balance sheet remains strong with cash and cash equivalents at \$276.8 million, down \$19.0 million due mainly to a total of \$17.4 million in final and special dividends paid to shareholders on 20 May 2020. Trade and other receivable also declined while inventories was down \$6.7 million from \$54.7 million, mainly due to the sell-down of stocks after the festive seasons.

The Group has no bank borrowings or debt securities, and its liabilities comprise mainly trade and other payables and lease liabilities.

-The End-

About Yeo Hiap Seng Limited (www.yeos.com.sg)

Yeo Hiap Seng is a Singapore-based heritage brand that has pioneered innovations in Asian beverages for more than a century. It is the first in the world to package Asian drinks in Tetra Brik aseptic cartons using UHT process and the first to offer curry chicken in canned form. Yeo's popular range of soy bean and chrysanthemum drinks are widely sold in Asia and among Chinese communities in Europe and North America.

The Group serves more than 30 markets around the world where the Yeo's smorgasbord of Asian food and beverages are known for its authentic flavours and exceptional quality. More than 80% of its beverages are from healthier choice products, making them the natural choice among consumers.

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