

Hanwell Holdings Limited

1H FY 2021 Financial Results

12 August 2021



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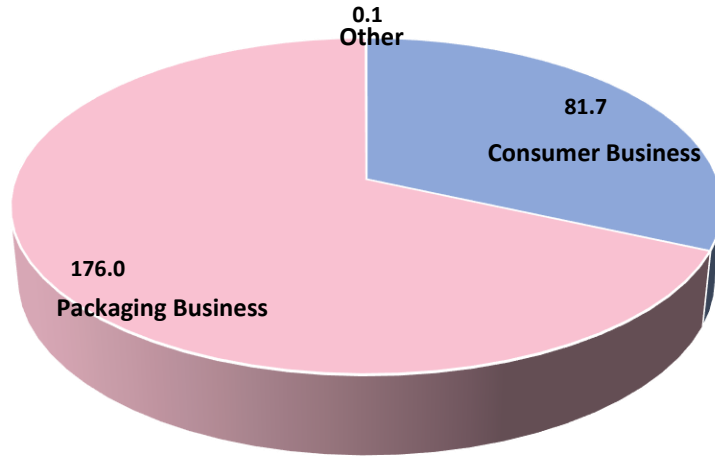
1H FY 2021 Financial Results

Financial Performance

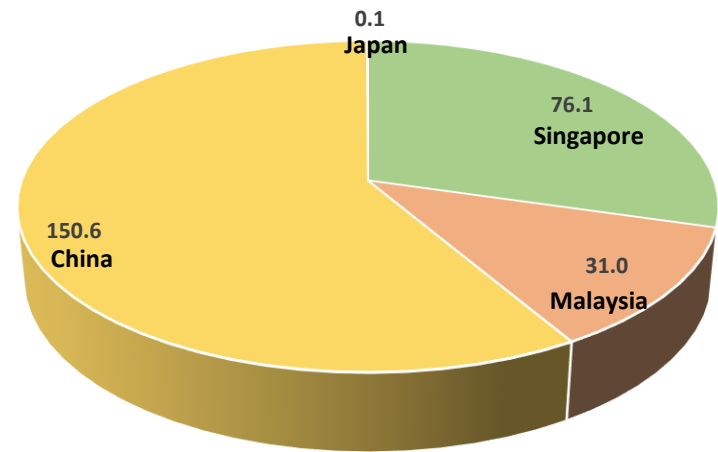
Financial Highlights	1H FY 2021	1H FY 2020	Change	Comments
	(S\$ million)	(S\$ million)	+ / (-) %	
Revenue	257.8	215.8	19.5	19.5% year-on-year (yoy) increase. This increase is due to higher sales volume for the Packaging Business, especially in the China market
Gross profit	57.5	50.6	13.7	This is in line with higher revenue achieved by the Packaging Business, partially offset by higher cost of sales due to increase in raw material prices.
Gross profit margin	22.3%	23.4%	-1.1 ppts*	
Other income	1.3	3.8	(65.9)	Due to forex losses.
Net profit	13.9	13.5	3.2	
Net profit margin	5.4%	6.3%	-0.9 ppts*	
EPS (cents)	1.61	1.79	(10.1)	

Revenue by Business Segment and Market

Revenue by Business Segment



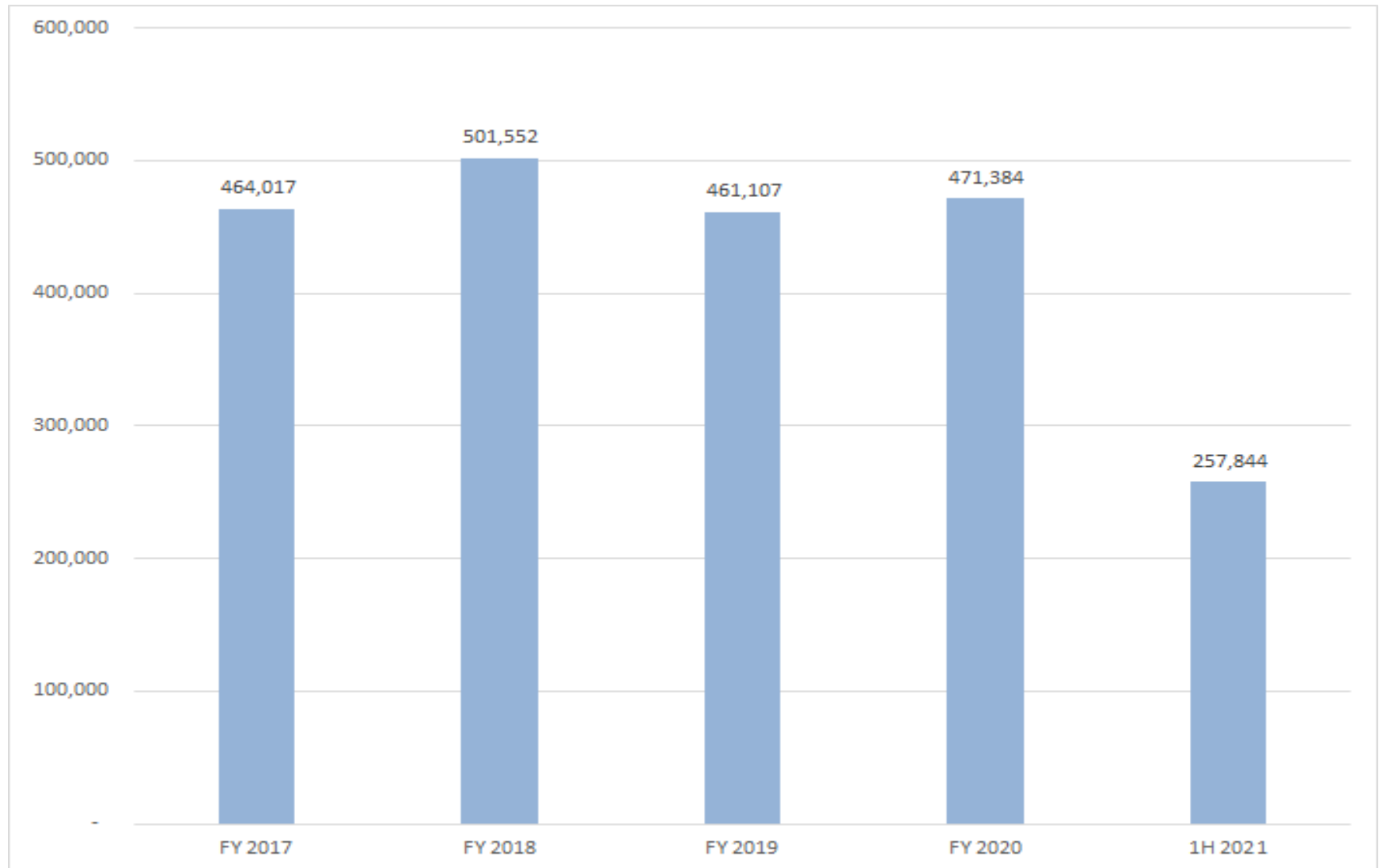
Revenue by Market



- Group revenue increased by 19.5%, to S\$ 257.8 million
- Packaging Business posted a growth of 36.4% from last year, contributed by increase in sales volume for both Singapore and China regions.
- Consumer Business reported a 5.6% decline in revenue from last year. Circuit breaker implemented last year contributed to a higher demand for essential products.

1H FY 2021 Financial Results

Revenue Trend (\$'000)



1H FY 2021 Financial Results

Balance Sheet

S\$'000	1H 2021	FY 2020	Change \$	Change %
Total Assets	546,371	528,928	17,443	3.3
Cash & cash equivalents	170,654	163,987	6,667	4.1
Inventories	60,088	52,697	7,391	14.0
Trade and other receivables	141,037	132,732	8,305	6.3
Property plant and equipment	157,166	162,230	(5,064)	(3.1)
Total Liabilities	168,941	164,844	4,097	2.5
Trade and other payables	67,907	73,243	(5,336)	(7.3)
Lease liabilities	18,529	19,733	(1,204)	(6.1)
Short term borrowings	64,408	51,838	12,569	24.2
Long term borrowings	7,381	10,244	(2,863)	(27.9)

1H FY 2021 Financial Results

Cashflow

S\$'000	1H 2021	1H 2020
Operating cashflow before working capital change	25,424	23,757
Net cashflow from operating activities	5,030	19,298
Capital expenditure	(2,662)	(5,157)
Proceed from disposal of PPE	1,197	107
Net cashflow used in investing activities	(1,156)	(4,196)
Free cashflow	2,368	14,141
Net increase in borrowings	8,058	3,745
Payment of dividend	(3,901)	-
Net cash flow (used in)/from financing activities	(1,934)	755
Net cash flow	1,940	15,857
Beginning cash and cash equivalent	152,321	121,990
Ending cash and cash equivalent	155,133	138,416

Outlook

Global tightening of basic food supplies and disruptions to shipping have already driven up the cost of rice and other raw ingredients. This will potentially increase the costs for our business segments and place downward pressure on the margins of the Group.

The operating environment for the Group's businesses remain volatile as the countries continue to see new waves of the Covid-19 infections. The Group maintains vigilant towards the health and safety of our team and have in place preventive measures to ensure minimal disruptions to our supply chain and business continuity. It is expected that demand for consumer essentials is likely to taper in the second half of 2021.

On future plans for the Group, Mr. Henry Chu, the Group's Chief Executive Officer added, "While business outlook remains uncertain, we will continuously identify new opportunities to drive business growth through strategic partnerships and investments, product innovation, and work towards achieving new standards of marketing and operational excellence. We are working on developing new product extensions and categories, as well as expanding our distribution network to more locations."

THANK YOU

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