



HALCYON AGRI CORPORATION LIMITED
(Company Registration No. 200504595D)

Unaudited Financial Statements for the Second Half and Full Financial Year Ended 31 December 2020

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) 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

Consolidated Profit and Loss Accounts- Second Half 2020 ("H2 2020") and Financial Year Ended 31 December 2020 ("FY2020")

	Group			Group		
	H2 2020	H2 2019	Change	FY 2020	FY 2019	Change
	(Unaudited)	(Unaudited)		(Unaudited)	(Audited)	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	938,612	995,860	(5.7)	1,708,786	1,907,747	(10.4)
Cost of sales	(870,797)	(954,213)	(8.7)	(1,607,230)	(1,800,395)	(10.7)
Gross profit	67,815	41,647	62.8	101,556	107,352	(5.4)
Other income	5,729	54,223	(89.4)	6,925	62,248	(88.9)
Selling expenses	(22,979)	(24,548)	(6.4)	(43,252)	(45,174)	(4.3)
Administrative expenses	(56,947)	(48,745)	16.8	(103,856)	(90,467)	14.8
Administrative expenses - foreign exchange gain	4,515	1,142	295.4	7,328	4,361	68.0
Operating (loss)/profit	(1,867)	23,719	n/m	(31,299)	38,320	n/m
Finance income	3,240	3,065	5.7	5,829	6,069	(4.0)
Finance costs	(12,263)	(20,703)	(40.8)	(31,228)	(40,826)	(23.5)
Share of profit/(loss) of an associate	84	(104)	n/m	253	(252)	n/m
(Loss)/ Profit before taxation	(10,806)	5,977	n/m	(56,445)	3,311	n/m
Income tax expense	(8,608)	(5,908)	45.7	(4,577)	(7,041)	(35.0)
(Loss)/Profit for the financial period/year	(19,414)	69	n/m	(61,022)	(3,730)	1,536.0
(Loss)/Profit attributable to:						
Owners of the Company	(13,812)	1,789	n/m	(54,195)	(1,633)	3,218.7
Non-controlling interests	(5,602)	(1,720)	225.7	(6,827)	(2,097)	225.6
	(19,414)	69	n/m	(61,022)	(3,730)	1,536.0
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	15,188	41,316	(63.2)	1,403	71,650	(98.0)
(Loss)/Earnings per share ("LPS)/EPS") (refer item 6):						
Basic and diluted (LPS)/EPS in US cents	(0.92)	0.11	n/m	(3.45)	(0.31)	1,000.0
Adjusted (LPS)/EPS in US cents	(0.92)	0.11	n/m	(3.45)	(0.31)	1,000.0

n/m - not meaningful

1(a)(i) 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 (cont'd)

Consolidated Statement of Comprehensive Income - Second Half 2020 ("H2 2020") and Financial Year Ended 31 December 2020 ("FY2020")

	Group			Group		
	H2 2020 (Unaudited)	H2 2019 (Unaudited)	Change	FY 2020 (Unaudited)	FY 2019 (Audited)	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
(Loss)/Profit for the financial period/year	(19,414)	69	n/m	(61,022)	(3,730)	1,536.0
Other comprehensive income						
<i>Items that may be reclassified subsequently to profit and loss</i>						
Exchange differences on translation of foreign operations	42,242	1,218	3,368.1	28,821	7,171	300.8
Net fair value changes on derivative instruments at fair value through other comprehensive income reclassified to profit or loss	-	-	n/m	-	314	n/m
Net fair value income/(loss) on equity instruments at fair value through other comprehensive income	2	(3)	n/m	-	(2)	n/m
<i>Items that will not be reclassified subsequently to profit and loss</i>						
Actuarial gain on retirement benefit obligation (net of tax)	391	643	(39.2)	532	697	(23.7)
Other comprehensive income for the financial period/year	42,635	1,858	2,194.7	29,353	8,180	258.8
Total comprehensive income/(loss) for the financial period/year	23,221	1,927	1,105.0	(31,669)	4,450	n/m
Total comprehensive income/(loss) attributable to:						
Owners of the Company	27,467	3,696	643.2	(25,826)	6,529	n/m
Non-controlling interests	(4,246)	(1,769)	140.0	(5,843)	(2,079)	181.1
	23,221	1,927	1,105.0	(31,669)	4,450	n/m

n/m - not meaningful

1(a)(ii) Notes to Consolidated Profit and Loss Accounts

Loss/(Profit) for the period has been arrived at after (charging)/crediting the following:	Group			Group		
	H2 2020	H2 2019	Change	FY 2020	FY 2019	Change
	(Unaudited)	(Unaudited)		(Unaudited)	(Audited)	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Amortisation of intangible asset	(462)	(434)	6.5	(909)	(839)	8.3
Depreciation of right-of-use assets	(1,642)	(1,643)	(0.1)	(3,066)	(2,798)	9.6
Cost of inventories recognised as an expense	(870,797)	(954,213)	(8.7)	(1,607,230)	(1,800,395)	(10.7)
Depreciation:						
-Cost of sales	(11,284)	(11,617)	(2.9)	(21,894)	(23,027)	(4.9)
-Selling expenses	(16)	(72)	(77.8)	(38)	(144)	(73.6)
-Administrative expenses	(3,612)	(3,402)	6.2	(6,865)	(6,196)	10.8
	(14,912)	(15,091)	(1.2)	(28,797)	(29,367)	(1.9)
Employee benefits expenses:						
-Cost of sales	(31,389)	(32,871)	(4.5)	(58,072)	(60,845)	(4.6)
-Selling expenses	(1,922)	(3,879)	(50.5)	(4,689)	(7,275)	(35.5)
-Administrative expenses	(18,384)	(20,318)	(9.5)	(37,818)	(39,448)	(4.1)
	(51,695)	(57,068)	(9.4)	(100,579)	(107,568)	(6.5)
Finance cost:						
-Working capital loans	(6,301)	(12,320)	(48.9)	(17,973)	(24,465)	(26.5)
-Term loans	(5,662)	(8,141)	(30.5)	(12,664)	(15,882)	(20.3)
-Finance lease obligation	(299)	(242)	23.6	(590)	(479)	23.2
	(12,262)	(20,703)	(40.8)	(31,227)	(40,826)	(23.5)
Foreign exchange gain:						
-Cost of sales	15,928	3,369	372.8	8,934	6,615	35.1
-Administrative expenses	4,515	1,142	295.4	7,328	4,361	68.0
	20,443	4,511	353.2	16,262	10,976	48.2
Non-recurring expenses						
-Business rationalisation expenses	(3,340)	(3,496)	(4.5)	(7,836)	(3,496)	124.1
-Impairment of property, plant and equipment	-	(257)	n/m	-	(257)	n/m
-Allowance for doubtful debt	(5,757)	(2,500)	130.3	(5,757)	(2,500)	130.3
-Provision for slow moving inventories	-	(1,546)	n/m	-	(1,546)	n/m
- Professional fees relating to issuance of perpetual securities	(827)	-	n/m	(827)	-	n/m
	(9,924)	(7,799)	27.2	(14,420)	(7,799)	84.9
Other income:						
-Fair value gain on investment properties	793	80	891.3	793	80	891.3
-Fair value gain on biological assets	3,454	52,711	(93.4)	3,454	52,698	(93)
-Reversal of allowance for doubtful debt	-	-	n/m	-	7,171	n/m
-Government grants	859	-	n/m	1,510	-	n/m
-Others	623	1,432	(56.5)	1,168	2,299	(49.2)
	5,729	54,223	(89.4)	6,925	62,248	(88.9)
Professional fees	(3,860)	(3,132)	23.2	(6,190)	(6,158)	0.5

n/m - not meaningful

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

Consolidated Statements of Financial Position as at 31 December 2020 and 31 December 2019				
	Group		Company	
	31 Dec 20	31 Dec 19	31 Dec 20	31 Dec 19
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Non-current assets				
Intangible assets	300,439	300,941	665	914
Property, plant and equipment	304,263	311,652	2,103	3,320
Plantation and biological assets	524,765	466,079	-	-
Investment properties	43,584	44,718	-	-
Deferred tax assets	17,267	21,259	-	-
Deferred charges	527	433	-	-
Other assets	1,866	1,618	-	-
Debt instruments	2,713	-	-	-
Loan and other receivables	60,224	3,425	-	-
Investment in an associate	1,298	1,035	-	-
Investment in subsidiaries	-	-	962,208	685,671
Total non-current assets	1,256,946	1,151,160	964,976	689,905
Current assets				
Cash and bank balances	45,722	57,905	239	369
Trade receivables	157,385	133,753	-	-
Loan and other receivables	86,670	159,700	651,501	861,924
Tax receivables	5,811	11,696	-	-
Derivative financial instruments	15,854	20,523	10,578	928
Inventories	389,581	375,394	-	-
Consumable biological assets	6	6	-	-
	701,029	758,977	662,318	863,221
Assets classified as held for sale	6,430	4,820	-	-
Total current assets	707,459	763,797	662,318	863,221
Total assets	1,964,405	1,914,957	1,627,294	1,553,126
LIABILITIES AND EQUITY				
Current liabilities				
Derivative financial instruments	7,498	10,534	10,335	507
Trade payables	33,178	38,331	-	-
Other payables	61,068	55,076	183,415	257,991
Loan payables	836,715	611,821	574,107	347,047
Provision for taxation	7,340	6,187	72	552
Lease liabilities	2,621	3,124	1,058	1,021
Total current liabilities	948,420	725,073	768,987	607,118
Net current (liabilities)/assets	(240,961)	38,724	(106,669)	256,103
Non-current liabilities				
Loan payables	174,870	511,912	-	342,454
Retirement benefit obligations	24,535	22,541	-	-
Deferred tax liabilities	45,319	48,012	260	71
Lease liabilities	9,389	10,203	758	1,823
Other payables	13,186	8,228	80,458	-
Total non current liabilities	267,299	600,896	81,476	344,348
Net assets	748,686	588,988	776,831	601,660
Capital and reserves				
Share capital	603,874	603,874	603,874	603,874
Perpetual securities	192,640	-	192,640	-
Capital reserves	2,420	1,814	-	-
Other reserves	717	(2,952)	(1,310)	(1,310)
Accumulated losses	(115,172)	(56,162)	(18,373)	(904)
Foreign currency translation reserves	42,798	14,903	-	-
Equity attributable to owners of the Company	727,277	561,477	776,831	601,660
Non-controlling interests	21,409	27,511	-	-
Total equity	748,686	588,988	776,831	601,660
Total liabilities and equity	1,964,405	1,914,957	1,627,294	1,553,126

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

	As at 31 December 2020 (Unaudited)		As at 31 December 2019 (Audited)	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Loan payables	123,876	712,839	121,293	490,528
Finance lease	93	-	48	-

Amount repayable after one year

	As at 31 December 2020 (Unaudited)		As at 31 December 2019 (Audited)	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Loan payables	65,912	108,958	83,792	428,120
Finance lease	72	-	98	-

Details of any collateral

Certain loans are secured by corporate guarantees from the Company (in the case of loans undertaken by the subsidiaries of the Company) or by a charge over certain of the Group's inventories, property, plant and equipment ("PPE"), trade receivables and certain cash and bank balances.

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

Consolidated Statement of Cash Flows - Second Half 2020 ("H2 2020") and Year Ended 31 December 2020 ("FY 2020")

	Group		Group	
	H2 2020 (Unaudited)	H2 2019 (Unaudited)	FY 2020 (Unaudited)	FY 2019 (Audited)
	US\$'000	US\$'000	US\$'000	US\$'000
Operating activities:				
(Loss)/Profit before taxation	(10,806)	5,977	(56,445)	3,311
Adjustments for:				
Depreciation expense	14,912	15,091	28,797	29,367
Amortisation of intangible assets	462	434	909	839
Amortisation of right-of-use assets	1,642	1,643	3,066	2,798
Retirement benefit expense	2,392	5,106	4,937	7,016
Interest income	(3,240)	(3,065)	(5,829)	(6,069)
Interest expense	11,701	20,461	30,638	40,347
Interest on operating lease liabilities	562	242	590	479
Fair value (gain)/loss on open forward commodities contracts and inventories, unrealised	(4,486)	2,224	13,992	(7,880)
Fair value gain on investment properties	(793)	(80)	(793)	(80)
Fair value gain on biological assets	(3,454)	(52,711)	(3,454)	(52,698)
Unrealised foreign exchange loss/(gain)	6,833	818	6,123	(196)
Impairment of property, plant and equipment	-	257	-	257
Gain on disposal of property, plant and equipment and investment properties	(11)	(154)	(43)	(265)
Write off/(Write back) of property, plant and equipment	(17)	583	(96)	591
Allowance for slow moving inventories	-	1,546	-	1,546
Allowance for expected credit losses on trade and other receivables	725	324	700	324
Allowance/(Reversal of allowance) for doubtful debt	5,757	2,500	5,757	(4,671)
Share of (profit)/loss of an associate	(84)	104	(253)	252
Operating cash flows before working capital changes	22,095	1,300	28,596	15,268
Trade and other receivables	(62,426)	15,829	(16,138)	8,212
Inventories	(81,837)	(21,561)	(21,164)	(34,587)
Trade and other payables	15,294	1,800	(260)	(3,647)
Cash used in operations	(106,874)	(2,632)	(8,966)	(14,754)
Interest received	752	1,425	1,045	2,082
Interest paid	(10,934)	(12,533)	(20,236)	(25,564)
Tax refund/(paid)	3,953	219	5,807	(3,381)
Net cash generated used in operating activities	(113,103)	(13,521)	(22,350)	(41,617)
Investing activities				
Proceeds from issuance of shares to non-controlling interests	-	-	-	2,200
Exercise of put option by a non-controlling interests	-	-	(4,859)	-
Capital expenditure on property, plant and equipment and intangible assets	(9,058)	(18,239)	(16,893)	(30,855)
Capital expenditure on plantation assets	(16,488)	(19,600)	(27,879)	(37,390)
Proceeds from disposal of property, plant and equipment and investment properties	342	404	532	523
Net cash used in investing activities	(25,204)	(37,435)	(49,099)	(65,522)
Financing activities				
Repayment of perpetual securities	-	-	-	(150,000)
Net (repayment)/proceeds of term loans	(17,724)	69,930	(14,160)	159,779
Net (repayment)/proceeds of working capital loans	(102,048)	(58,733)	(110,726)	50,141
Interest paid on term loans	(7,642)	(7,819)	(12,930)	(14,623)
Distribution to perpetual securities holders	-	-	-	(3,375)
Repayment of obligation under lease arrangements	(1,867)	(3,036)	(3,585)	(3,055)
Repayment of obligation under operating lease arrangements	-	1,285	-	-
Dividend paid to non-controlling interest	(83)	(173)	(83)	(173)
Decrease/(Increase) in pledged deposits	21	(22)	577	(22)
Net proceeds from perpetual securities	198,640	-	198,640	-
Net cash generated from financing activities	69,297	1,432	57,733	38,672
Net decrease in cash and cash equivalents	(69,010)	(49,524)	(13,716)	(68,467)
Cash and cash equivalents at beginning of the period/year	110,333	105,421	55,627	122,931
Effects of exchange rate changes on the balance of cash held in foreign currencies	2,569	(270)	1,981	1,163
Cash and cash equivalents at end of the period/year	43,892	55,627	43,892	55,627
Cash and bank balances comprise the following:				
Cash and cash equivalents	43,892	55,627	43,892	55,627
Fixed deposits - pledged	1,830	2,278	1,830	2,278
	45,722	57,905	45,722	57,905

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

Consolidated Statements of Changes in Equity as at 31 December 2020 and 31 December 2019

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital US\$'000	Perpetual securities US\$'000	Capital reserves US\$'000	Other reserves US\$'000	Accumulated (losses)/profits US\$'000	Foreign currency translation reserves US\$'000	Total equity attributable to owners of the Company US\$'000	US\$'000
Group (Unaudited)								
Balance at 1 January 2020	603,874	-	1,814	(2,952)	(56,162)	14,903	561,477	27,511 588,988
Total comprehensive loss for the year								
Loss for the year	-	-	-	-	(54,195)	-	(54,195)	(6,827) (61,022)
Other comprehensive income	-	-	-	-	474	27,895	28,369	984 29,353
Total	-	-	-	-	(53,721)	27,895	(25,826)	(5,843) (31,669)
Transactions with owners, recognised directly in equity								
Issuance of perpetual securities, net of transaction costs	-	198,640	-	-	-	-	198,640	- 198,640
Guarantee fee capitalized in relation to issuance of perpetual securities	-	(6,000)	-	-	-	-	(6,000)	- (6,000)
Statutory reserve fund	-	-	606	-	(606)	-	-	- -
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(83) (83)
Total	-	192,640	606	-	(606)	-	192,640	(83) 192,557
Changes in ownership interests in subsidiaries								
Acquisition of non-controlling interests without a change in control	-	-	-	3,669	(4,683)	-	(1,014)	(176) (1,190)
Total	-	-	-	3,669	(4,683)	-	(1,014)	(176) (1,190)
Balance at 31 December 2020	603,874	192,640	2,420	717	(115,172)	42,798	727,277	21,409 748,686
Group (Audited)								
Balance at 1 January 2019	603,874	148,690	1,617	(3,313)	(51,651)	7,749	706,966	28,920 735,886
Total comprehensive loss for the year								
Loss for the year	-	-	-	-	(1,633)	-	(1,633)	(2,097) (3,730)
Other comprehensive income	-	-	-	314	694	7,154	8,162	18 8,180
Total	-	-	-	314	(939)	7,154	6,529	(2,079) 4,450
Transactions with owners, recognised directly in equity								
Distribution to perpetual securities holders	-	-	-	-	(3,375)	-	(3,375)	- (3,375)
Reclassification of perpetual securities to loan payables	-	(148,690)	-	(1,310)	-	-	(150,000)	- (150,000)
Statutory reserve fund	-	-	197	-	(197)	-	-	- -
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	(173) (173)
Total	-	(148,690)	197	(1,310)	(3,572)	-	(153,375)	(173) (153,548)
Changes in ownership interests in subsidiaries								
Issuance of shares of a subsidiary to non-controlling interests	-	-	-	1,357	-	-	1,357	843 2,200
Total	-	-	-	1,357	-	-	1,357	843 2,200
Balance at 31 December 2019	603,874	-	1,814	(2,952)	(56,162)	14,903	561,477	27,511 588,988
Company (Unaudited)								
Balance at 1 January 2020	603,874	-	-	(1,310)	(904)	-	601,660	- 601,660
Total comprehensive loss for the year								
Loss for the year	-	-	-	-	(17,469)	-	(17,469)	- (17,469)
Total	-	-	-	-	(17,469)	-	(17,469)	- (17,469)
Transactions with owners, recognised directly in equity								
Issuance of perpetual securities, net of transaction costs	-	198,640	-	-	-	-	198,640	- 198,640
Guarantee fee capitalized in relation to issuance of perpetual securities	-	(6,000)	-	-	-	-	(6,000)	- (6,000)
Total	-	192,640	-	-	-	-	192,640	- 192,640
Balance at 31 December 2020	603,874	192,640	-	(1,310)	(18,373)	-	776,831	- 776,831
Company (Audited)								
Balance at 1 January 2019	603,874	148,690	-	-	23,520	-	776,084	- 776,084
Total comprehensive loss for the year								
Loss for the year	-	-	-	-	(21,049)	-	(21,049)	- (21,049)
Total	-	-	-	-	(21,049)	-	(21,049)	- (21,049)
Transactions with owners, recognised directly in equity								
Distribution to perpetual securities holders	-	-	-	-	(3,375)	-	(3,375)	- (3,375)
Reclassification of perpetual securities to loan payables	-	(148,690)	-	(1,310)	-	-	(150,000)	- (150,000)
Total	-	(148,690)	-	(1,310)	(3,375)	-	(153,375)	- (153,375)
Balance at 31 December 2019	603,874	-	-	(1,310)	(904)	-	601,660	- 601,660

- 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 also 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**

	Number of ordinary shares	US\$'000
Issued and paid-up		
At 31 December 2019 and 31 December 2020	1,595,011,941	603,874

There were no outstanding options, convertibles, treasury shares or subsidiary holdings as at 31 December 2020 and 31 December 2019.

- 1(d)(iii) To show the 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**

The Company did not hold any treasury shares as at 31 December 2020 and 31 December 2019. As such, the number of issued shares excluding treasury shares as at 31 December 2020 and 31 December 2019 were 1,595,011,941 shares.

- 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**

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

- 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**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

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

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

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 issuer's most recently audited annual financial statements have been applied

Except as disclosed in Section 5, the financial statements have been prepared using the same accounting policies and methods of computation as presented in 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

The Group has adopted all applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") which became effective for accounting periods beginning on or after 1 January 2020. The adoption of these new and revised FRS and INT FRS are assessed to have no material financial impact on the Group's financial statements for the current financial period reported on.

- SFRS(1)3 Definition of a business
- SFRS(1) 1-1, 1-8: Definition of material
- SFRS(1) 9: Interest rate benchmark reform

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

	Group		Group	
	H2 2020 (Unaudited)	H2 2019 (Unaudited)	FY 2020 (Unaudited)	FY 2019 (Audited)
(Loss)/Profit attributable to owners of the Company (US\$'000)	(13,812)	1,789	(54,195)	(1,633)
Less: Amount reserved for distribution to perpetual securities holders (US\$'000)	(895)	-	(895)	(3,375)
Adjusted (Loss)/Profit attributable to owners of the Company (US\$'000)	(14,707)	1,789	(55,090)	(5,008)
Basic and diluted (loss)/earnings per share ("LPS/ EPS") in US cents ⁽¹⁾	(0.92)	0.11	(3.45)	(0.31)
Adjusted (LPS)/EPS in US cents ⁽²⁾	(0.92)	0.11	(3.45)	(0.31)
Adjusted (LPS)/EPS in SGD cents ⁽³⁾	(1.25)	0.15	(4.77)	(0.43)

Notes:

- (1) The basic and diluted (LPS)/EPS for the periods under review have been computed based on the loss attributable to owners of the Company and the weighted average number of ordinary shares in issue for the respective periods.
- (2) For comparative purposes, the adjusted (LPS)/EPS for the periods under review have been computed based on the loss attributable to owners of the Company and number of ordinary shares in issue as at 31 December 2020 of 1,595,011,941 ordinary shares.
- (3) Translated at the average exchange rates for each respective period.

The basic and diluted (LPS)/EPS for H2 2020, H2 2019, FY 2020 and FY 2019 were the same as there were no potentially dilutive ordinary shares in issue as at 31 December 2020 and 31 December 2019.

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	
	31 December 2020 (Unaudited)	31 December 2019 (Audited)	31 December 2020 (Unaudited)	31 December 2019 (Audited)
Net asset value per ordinary share based on issued share capital (US cents)	46.94	36.93	48.70	37.72
Net asset value per ordinary share based on issued share capital (SGD cents) ⁽¹⁾	62.06	49.75	64.39	50.82
Number of ordinary shares outstanding	1,595,011,941	1,595,011,941	1,595,011,941	1,595,011,941

Note:

(1) Translated at the closing exchange rates for each respective period.

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.**

REVIEW OF THE INCOME STATEMENT OF THE GROUP FOR H2 2020 VS H2 2019 AND FY 2020 VS FY 2019

Overview

		H2 2020	H2 2019	Change	FY 2020	FY 2019	Change
Total sales volume	tonnes	656,115	666,710	-1.6%	1,186,515	1,279,201	-7.2%
Revenue	US\$ million	938.6	995.9	-5.7%	1,708.8	1,907.7	-10.4%
Revenue per tonne	US\$	1,431	1,494	-4.2%	1,440	1,491	-3.4%
Gross profit	US\$ million	67.8	41.6	63.0%	101.6	107.4	-5.4%
EBITDA	US\$ million	15.2	41.3	-63.2%	1.4	71.7	-98.0%
Net (loss)/profit	US\$ million	(19.4)	0.1	n/m	(61.0)	(3.7)	1548.6%

Revenue

H2 2020 vs H2 2019

Revenue decreased by US\$57.3 million (5.8%), from US\$995.9 million in H2 2019 to US\$938.6 million in H2 2020 mainly due to a marginal decrease in sales volume by 10,595 tonnes (1.6%) from 666,710 tonnes in H2 2019 to 656,115 tonnes in H2 2020 and lower revenue per tonne by US\$63, as a result of weaker demand amidst the COVID-19 pandemic. However, a gradual improvement in demand has been observed in H2 2020 as compared to H1 2020 although still lower than H2 2019.

FY 2020 vs FY 2019

Revenue decreased by US\$198.9 million or 10.4%, from US\$1,907.7 million in FY 2019 to US\$1,708.8 million in FY 2020 due to the decrease in sales volume by 92,686 tonnes or 7.2% from 1,279,201 tonnes in FY 2019 to 1,186,515 tonnes in FY 2020. This has directly resulted from the weak demand H1 2020 amid full effects of COVID-19 where downstream industrial activities came to a halt due to global lockdown restrictions. The subsequent improvement in H2 2020 is not sufficient to catch up the full year shortfall. In addition, the revenue per tonne of US\$1,440, is also lower by US\$51 compared to last year, which is in line with price trends during respective years.

Cost of sales

Cost of sales comprises plantation costs, cost of procuring and processing raw materials into finished goods, and other incidental costs relating to transportation.

H2 2020 vs H2 2019

Cost of sales decreased by US\$83.4 million or 8.7%, from US\$954.2 million in H2 2019 to US\$870.8 million in H2 2020. This is mainly driven by cost of sales per tonne decreased from US\$1,431 per tonne in H2 2019 to US\$1,327 per tonne in H2 2020, in line with rubber price trends in the respective periods, as well as lower volume procured in H2 2020, compared to H2 2019.

FY 2020 vs FY 2019

Cost of sales decreased by US\$193.2 million or 10.7%, from US\$1,800.4 million in FY 2019 to US\$1,607.2 million in FY 2020 in line with the decrease in volume by 7.2%. Cost of sales per tonne decreased from US\$1,407 per tonne in FY 2019 to US\$1,355 per tonne in FY 2020.

Gross profit

	H2 2020	H2 2019	Change	FY 2020	FY 2019	Change
Gross profit (US\$ million)	67.8	41.6	63.0%	101.6	107.4	-5.4%
Sales volume (tonnes)	656,115	666,710	-1.6%	1,186,515	1,279,201	-7.2%
Gross profit per tonne (US\$)	103	62	66.1%	86	84	2.4%

H2 2020 vs H2 2019

Gross profit increased by US\$26.2 million (63.0%) from US\$41.6 million in H2 2019 to US\$67.8 million in H2 2020 mainly due to an improvement in gross profit per tonne from US\$62 in H2 2019 to US\$103 in H2 2020. The strengthening of margins is driven by the improvement in downstream demand, which was reflected in price trends of respective periods. This was slightly offset by a marginal decrease in sales volume of 1.6% from 666,710 tonnes in H2 2019 to 656,115 tonnes in H2 2020.

The fair value loss recorded in H1 2020 in relation to COVID 19 impact had been largely reversed in line with the recovery of rubber price.

FY 2020 vs FY 2019

Gross profit decreased by US\$5.8 million or 5.4% from US\$107.4 million in FY 2019 to US\$101.6 million in FY 2020 mainly due to lower sales volume of 1,186,515 tonnes in FY 2020 compared to 1,279,201 tonnes in FY 2019. This was set off by a 2.4% increase in gross profit per tonne in FY 2020 as compared to FY 2019.

(Loss)/ Profit before tax

H2 2020 vs H2 2019

Loss before tax in H2 2020 was US\$10.8 million compared with US\$6.0 million profit before tax recorded in the previous corresponding period, mainly due to the following reasons:

- (i) there was a fair value gain on biological assets amounting to US\$52.7 million in H2 2019 recorded as other income as compared to a US\$3.5 million gain recorded in H2 2020
- (ii) increase in administrative expenses of US\$8.2 million, mainly due to provision of receivables of US\$5.8 million as a result of current market conditions, business rationalisation expenses of US\$3.3 million and professional fees of US\$0.8 million mainly relating to Perpetual Securities Issuance, remaining due to general decrease in expenses. These items were set off by:
- (iii) increase in gross profit by US\$26.2 million from US\$41.6 million in H2 2019 to US\$67.8 million in H2 2020 as mentioned above
- (iv) decrease of net financing cost by US\$8.4 million mainly due to a lower global benchmark interest rate and lower interest expense as a result of paring down of working capital loans using the proceeds from perpetual securities issuance

FY 2020 vs FY 2019

The Group reported a loss before tax of US\$56.4 million, as compared to a profit before tax of US\$3.3 million in FY 2019. The decrease of US\$59.7 million is mainly due to the decrease in fair value gain on biological assets from US\$52.7 million recorded in FY 2019 to US\$3.5 million in FY 2020. The other reasons are:

- (i) Higher one off cost by US\$6.6 million business rationalisation expenses of US\$4.4 million, allowance for doubtful debt and professional fees relating to issuance of perpetual securities
- (ii) absence of FY2019 other income pertaining to the reversal of allowance for doubtful receivables, amounting to US\$7.2 million; and
- (iii) decrease in gross profit of US\$5.8 million due to the reasons explained above

These items were set off by:

- (iv) decrease of net financing cost by US\$9.6 million, primarily due to lower interest rate environment and lower loan utilisation as a result of the issue of perpetual securities in H2 2020; and
- (v) other income totalling US\$1.0 million due to Job Support Scheme from the Singapore government and US\$0.5 million due to grants from China government;

(Loss)/ Profit after tax

H2 2020 vs H2 2019

Loss after tax in H2 2020 was US\$19.4 million, compared to a profit of US\$0.1 million in H2 2019 which is in line with the decrease in profit before tax of US\$16.8 million and an increase in tax expense as a result of the changes in the deferred tax position between both periods.

FY 2020 vs FY 2019

Loss after tax in FY 2020 was US\$61.0 million, compared to US\$3.7 million in FY 2019 mainly driven by a decrease in profit before tax of US\$59.8 million. This was partially offset by a decrease in tax expense mainly due to the lower deferred tax liabilities recognised on the fair value gain of biological assets.

REVIEW OF THE FINANCIAL POSITION OF THE GROUP AS AT 31 DECEMBER 2020 VS 31 DECEMBER 2019

Non-current assets

Non-current assets increased by US\$105.8 million or 9.2% from 31 December 2019 (US\$1,151.2 million) to 31 December 2020 (US\$1,257.0 million), mainly due to the following factors:

- (i) reclassification of a loan to a third party of US\$49.6 million from current assets to non-current assets post completion of loan restructuring disclosed in FY 2019;
- (ii) US\$44.8 million additional investment in property, plant and equipment and plantation related properties as part of the planned capital expenditure
- (iii) recognition of fair value gain on biological assets of US\$3.5 million; and
- (iv) Foreign translation gain of US\$27.2 million gain due to weakening of US Dollars against local currencies

The increase in non-current assets was partially offset by depreciation and amortisation expense of US\$32.8 million.

Current assets

Current assets decreased by US\$56.3 million or 7.4% from 31 December 2019 (US\$763.8 million) to 31 December 2020 (US\$707.5 million) mainly due to reclassification of the loan to a third party to non-current asset as mentioned above partially offset by the increase in:

- (i) inventories of US\$14.2 million due to higher inventory volume.
- (ii) investment properties of US\$1.7 million being classified as assets held for sale

Current liabilities

Current liabilities increased by US\$223.3 million or 30.8% for the year from 31 December 2019 (US\$725.1 million) to 31 December 2020 (US\$948.4 million), mainly due to:

- (i) reclassification of non-current portion of term loans of US\$328.9 million to current, as it becomes due in less than 12 months. This was partially offset by a reduction in working capital loan of US\$110.7 million, in which the balances were repaid using proceeds from the issuance of perpetual securities. Please refer to the liquidity analysis section for more information.
- (ii) increase in provision for taxation of US\$1.2 million

The breakdown of the current loan payables are as follows:

(US\$ million)	31 December 2020	31 December 2019
Working capital loans	463.5	572.6
Term loans	373.2	39.2
Total	836.7	611.8

* Please refer to group funding structure section for further explanation.

Non-current liabilities

Non-current liabilities decreased by US\$333.6 million or 55.5% from 31 December 2019 (US\$600.9 million) to 31 December 2020 (US\$267.3 million), mainly due:

- (i) reclassification of term loans totalling US\$328.9 million from non-current to current, as mentioned above;
- (ii) decrease in deferred tax liabilities of US\$2.7 million

Equity

The Group's equity increased by US\$159.7 million, from US\$589.0 million as at 31 December 2019 to US\$748.7 million as at 31 December 2020, following the issuance of the perpetual securities of US\$192.6 million and net operating loss incurred for the year of US\$31.7 million.

ADDITIONAL DISCLOSURES RELATING TO COVID-19

The evolving COVID-19 situation has resulted in unprecedented challenges to the market environment. As this pandemic may potentially pose significant financial reporting implications, SGX RegCo and ACRA have published additional guidance (the "Relevant Guidance") highlighting key focus areas when preparing and reviewing the financial statements, especially in areas where estimates, assumptions and judgement are required.

Asset valuation

Management has considered the Relevant Guidance in the preparation of this financial statement and evaluated the key assumptions used in the assessment of the carrying values of the material assets within the Group, where relevant. In doing so, Management has relied on external reports, as well as available information, while making use of tools such as valuation models, in the assessment of the appropriateness of the carrying values of the Group's assets - including but not limited to the following assets as at 31 December 2020:

- a. Biological Assets
- b. Intangible Assets
- c. Property, Plant and Equipment
- d. Investment Properties

The outcome of the Group's procedures concludes that there is no impairment required on the carrying values of the Group's assets.

Besides, analysis of expected credit losses on the existing portfolio of trade receivables has been performed, considering historical collection patterns as well as prevailing economic conditions. Accordingly, relevant expected credit losses have been accounted for in the financial statement. Management is of view that the level of provision is sufficient and appropriate given the risk levels of the Group's receivables portfolio.

Going concern assessment

Management has also considered the going concern assessment in accordance with the Relevant Guidance:

Business Outlook

Despite the present uncertain business conditions caused by the COVID-19 pandemic, the rubber market sentiment has improved in H2 2020 as compared to H1 2020. Delivery and shipment activities which were affected by the lockdown in H1 2020 have gradually improved. Positive recovery of customer offtakes and stronger demand has also allowed the Group to better utilised its factory capacity.

Natural rubber prices, indicated by SICOM TSR20 1st position, having ended H1 2020 on a price of US\$1,134 per MT, have rallied to a peak of US\$1,764 on 28 October 2020, before retreating to close off 2020 at US\$1,503. This represents a 32.5% improvement from June 2020 close, and 3.7% higher than December 2019 close of US\$1,450. The rubber prices continue to strengthen in 2021, reaching another peak of US\$1,706 per MT as of 19 February 2021 – a further 17.7% improvement.

The stable uptrend movement of prices in recent months have reflected the robustness of demand, and based on the recent economic data, and management is cautiously optimistic that such a trend will continue. (Please refer to Section 10 for more details.)

Liquidity

The near-term volatility and uncertainty in the macroeconomic situation induced by COVID-19 have emphasised the need for management to proactively manage its treasury operations to ensure there is sufficient liquidity across all of its operating entities. In doing so, the Group actively monitors its cash conversion cycle: ensuring the timely collection of receivables, and active communication with key customers to understand their procurement needs, and to match such volumes with our capacity utilisation plan.

The Group maintains healthy unencumbered cash reserves, as well as sufficient headroom in our existing banking facilities in order to meet near-term obligations. The recent successful issuance of US\$200 million guaranteed subordinated perpetual securities has improved the Group's leverage ratio, and strengthened its balance sheet, given its equity nature. Despite the recent actions, the Group's balance sheet has reflected a net current liability position as of December 2020.

As of 31 December 2020, the balance sheet of the Company shows a net current liability position of US\$241.0 million which was predominantly due to the reclassification of a long-term loan amounting to US\$300.0 million (the "Loan") due by December 2021 (i.e. due to be settled within twelve months after the reporting period).

The management is currently working with prospective lenders to refinance the Loan before it comes due, and the Board and management of the Company believe this will be successfully executed within the stipulated timeline. In the event that the refinancing of this Loan cannot be completed before the due date, Sinochem International (Overseas) Pte Ltd. (which is wholly-owned by Sinochem International Corporation) will, for the foreseeable future and within its power and authority as the majority shareholder of the Company, take commercially reasonable actions to ensure that the Company will maintain a sound financial position to continue to operate as going concern. As such, the Board believe that the going concern assumption remain appropriate in the preparation of the Financial Statements for FY 2020.

Group funding structure

The table below summarises the funding structure of the Group:

(US\$ million)	Balance at 31-Dec-20	Balance at 30-Jun-20
Net working capital assets ⁽¹⁾	544.8	424.1
Cash and cash equivalents	45.7	112.0
Loan receivables	61.7	53.9
Total net working capital employed	652.2	590.0
Working capital loans	463.5	561.1
% Efficiency of Working Capital Funding	71.1%	95.1%
Operational long term assets ⁽²⁾	1,064.5	1,015.6
Non-core assets ⁽³⁾	43.6	43.5
Other borrowings	548.1	555.1
% Fixed Asset Gearing	49.5%	52.4%
Total equity (excluding Perpetual Securities)	556.1	532.9
Perpetual Securities	192.6	-
Total equity	748.7	532.9

Note 1: Net working capital assets for the Group are defined as the sum of operational trade and other receivables, net derivative assets, inventories, assets held for sale, net off against trade and other payables.

Note 2: Operational long term assets of the Group are defined as intangible assets, PPE, plantation and biological assets, and other non-current assets and right-of-use assets, net off against non-current liabilities.

Note 3: Non-core assets mainly made up of investment properties.

REVIEW OF THE STATEMENT OF CASH FLOWS OF THE GROUP FOR H2 2020 VS H2 2019 AND FY 2020 VS FY 2019

The following table sets out a summary of cash flows for H2 2020, H2 2019, FY 2020 and FY 2019

(US\$ million)	H2 2020	H2 2019	FY 2020	FY 2019
Net cash from operating activities, before working capital changes	15.9	(9.6)	15.2	(11.6)
Changes in working capital	(129.0)	(3.9)	(37.6)	(30.0)
Net cash used in operating activities	(113.1)	(13.5)	(22.4)	(41.6)
Net cash used in investing activities	(25.2)	(37.4)	(49.1)	(65.5)
Net cash generated from financing activities	69.3	1.4	57.7	38.7
Net decrease in cash and cash equivalents	(69.0)	(49.5)	(13.7)	(68.4)
Cash and cash equivalents at the beginning of the period/year	110.3	105.4	55.6	122.9
Effect of exchange rate changes on the balance of cash held in foreign	2.6	(0.3)	2.0	1.1
Cash and cash equivalents at the end of the period/year	43.9	55.6	43.9	55.6

H2 2020

The Group's cash and cash equivalents decreased by US\$69.0 million during H2 2020. It recorded a net cash used in operating activities of US\$113.1 million during H2 2020 mainly due to increase in inventory held of US\$81.8 million and increase in trade and other receivables of US\$62.4 million. This is in line with the ramping up of operations during the period.

Net cash used in investing activities of US\$25.2 million was mainly due to capital expenditure on PPE and plantation related assets of US\$25.5 million.

Net cash generated from financing activities was US\$69.3 million, mainly due to proceeds from perpetual securities of US\$198.6 million, offset by repayment of working capital loans, term loans and payment of term loan interest.

FY 2020

The Group's cash and cash equivalents decreased by US\$13.7 million during FY 2020. It recorded a net cash used in operating activities of US\$22.4 million during FY 2020 contributed by an improved net cash from operating activities before working capital changes.

Net cash used in investing activities of US\$49.1 million was mainly due to capital expenditure on PPE and plantation related assets.

Net cash generated from financing activities was US\$57.7 million, mainly due to proceeds from perpetual securities, offset by repayment of working capital loans, term loans and payment of interest.

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

The Company did not issue any forecast or prospect statement.

10. A commentary at the date of the announcement of the significant trend 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

Year 2020 can be best summed up as a “tale of two halves” for the Group:

- H1 2020 financial results being affected by the unprecedented disruptions due to COVID-19 pandemic, whereby the lockdown restrictions have forced a significant number of downstream factories to be furloughed. This has slowed down the offtakes of our products, causing our factory capacities to be under-utilised;
- H2 2020 results show a significant improvement as compared to H1 2020, following the recovery in customer offtakes when the downstream industrial activities picked up after the lockdown was progressively lifted. Margins have also improved in line with the pricing trend, as well as the strengthening demand for the Group’s products.

Natural rubber prices, indicated by SICOM TSR20 1st position, begun H2 2020 at US\$1,134/tonne, rallied to a peak of US\$1,764 on 28 October 2020, before retreating slowly to close off 2020 at US\$1,503. Despite the easing of rubber prices, it closed the year at 3.7% higher than the beginning of 2020. The rubber prices continue to strengthen in 2021, reaching another peak of US\$1,706 per MT as of 19 February 2021 – a further 17.7% improvement.. Looking ahead, we are cautiously optimistic that the recovery momentum observed during H2 2020 will carry into 2021. In January 2021, the International Monetary Fund (“IMF”) has projected a global GDP growth of 5.5% for 2021, from an estimated contraction in 2020 of 3.5%. On the other hand, the International Rubber Study Group (“IRSG”) has projected a 7.0% growth in the global natural rubber consumption in 2021, as compared to an 8.1% contraction in 2020.

After a turbulent year, the Group remain steadfast in focusing on its key priorities, surrounding four core pillars as below, to strengthen our industry leadership position, and to deliver sustainable profits:

- **Operational excellence:** Improving operating efficiency across the board, as well as building on the seamless connectivity of our global platforms to capture the improving demand. Health and safety of our employees remains the top priority across the Group, global operations which are operating at full scale.
- **Customer excellence:** Deepen customer relationship based on common values, and strengthen our position as their preferred supplier through comprehensive understanding of their production and sustainability requirements.
- **Corporate excellence:** Embracing sustainability as one of our key business tenets, and seek to expand Halcyon Agri’s lead in the global sustainability arena. The Group strives to steer the sustainability agenda of the rubber industry, and will build on its achievements in 2020 – (i) EcoVadis Gold Medal recognising our group-wide sustainability achievements; (ii) Malaysian Sustainable Palm Oil (MSPO) certification given to the Group’s Malaysian plantation operations (owned by JFL Holdings Sdn Bhd), in recognition of the Group’s industry-leading plantation practices.
- **Financial excellence:** Enhancing group-wide liquidity and deleverage our balance sheet, to facilitate and achieve all of the goals above. The Company has successfully completed the issuance of perpetual securities of US\$200 million, and is in advanced stages of finalising the financing of a term loan amounting to US\$300 million before it comes due. Please refer to page 15 for details.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividends have been declared or recommended for the current financial period.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No dividends have been declared or recommended for corresponding period of the immediately preceding financial year

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

The Company recorded a net loss and consequently no dividend has been declared or recommended for the current financial year.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), 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 does not have an IPT Mandate.

14. Segmental information

Halcyon Agri is a global leader in natural rubber, supporting the world’s growing mobility needs through the origination, production and distribution of natural rubber. The Group sources a broad range of grades from all major origins globally, operates 38 natural rubber processing facilities in Indonesia, Malaysia, Thailand, China and Africa, and distributes to an international customer base through its network of warehouses and sales offices in South East Asia, China, the United States of America and Europe.

The key segments of the Group comprise the following:

- **Corrie MacColl Group** – This business segment includes our plantation and processing business in Cameroon and Malaysia and our distribution business under the brand name of Corrie MacColl, Momentum Technologies and Kelvin Terminals
- **HRC Group** – This business segment includes our processing factories in Indonesia, China, Malaysia, Thailand and Ivory Coast, and distribution business in Singapore and China, whose customers are predominantly top-tier global tyre makers.
- **Corporate Segment** – covers group strategic management, corporate finance, group administration and legal matters, treasury, and taxation.

Segmental performance is continuously monitored to optimise the allocation of resources between segments.

Segment assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment Information - Half year ended 2020 ("H2 2020") and 2019 ("H2 2019")

(US\$'000)	Corrie MacColl Group		HRC Group		Corporate		Elimination		Consolidated	
	H2 2020	H2 2019	H2 2020	H2 2019	H2 2020	H2 2019	H2 2020	H2 2019	H2 2020	H2 2019
Revenue to third party	285,800	302,621	652,694	693,180	118	59	-	-	938,612	995,860
Inter-segment revenue	723	776	27,862	31,745	6,548	7,824	(35,133)	(40,345)	-	-
Total revenue	286,523	303,397	680,556	724,925	6,666	7,883	(35,133)	(40,345)	938,612	995,860
Gross profit	13,703	11,822	54,429	29,765	6,589	7,884	(6,906)	(7,824)	67,815	41,647
Operating profit/(loss)	(14,308)	40,438	14,126	(16,855)	(1,569)	(35)	(116)	171	(1,867)	23,719
Finance income									3,240	3,065
Finance costs									(12,263)	(20,703)
Share of loss of associates									84	(104)
Profit/(Loss) before taxation									(10,806)	5,977
Income tax (expense)/credit									(8,608)	(5,908)
Profit/(Loss) for the financial period									(19,414)	69
Total sales volume (tonnes)	188,680	192,778	488,434	497,494	-	-	(20,999)	(23,562)	656,115	666,710
Gross profit per tonne (US\$)	73	61	111	60	-	-	-	-	103	62
Other information:										
Management fee expense/(income)	-	-	6,296	7,610	(6,296)	(7,610)	-	-	-	-
Depreciation expenses (include right-of-use assets)	4,864	5,038	11,065	9,374	625	624	-	-	16,554	15,036
Capital expenditure	20,993	31,889	4,234	5,600	319	350	-	-	25,546	37,839

Segment Information -Financial Year Ended 31 December 2020 ("FY 2020") and 31 December 2019 ("FY 2019")

(US\$'000)	Corrie MacColl Group		HRC Group		Corporate		Elimination		Consolidated		
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	
Revenue to third party	533,295	594,967	1,175,290	1,312,721	201	59	-	-	1,708,786	1,907,747	
Inter-segment revenue	1,487	1,791	58,424	61,333	14,014	14,961	(73,925)	(78,085)	-	-	
Total revenue	534,782	596,758	1,233,714	1,374,054	14,215	15,020	(73,925)	(78,085)	1,708,786	1,907,747	
Gross profit	21,644	30,697	80,259	76,595	14,062	15,021	(14,409)	(14,961)	101,556	107,352	
Operating (loss)/profit	(31,074)	45,382	2,301	(6,696)	(2,410)	(537)	(116)	171	(31,299)	38,320	
Finance income										5,829	6,069
Finance costs										(31,228)	(40,826)
Share of profit/(loss) of an associate										253	(252)
Loss before taxation										(56,445)	3,311
Income tax credit/(expense)										(4,577)	(7,041)
Loss for the financial period										(61,022)	(3,730)
Total sales volume (tonnes)	349,820	378,548	881,467	946,067	-	-	(44,771)	(45,414)	1,186,515	1,279,201	
Gross profit per tonne (US\$)	62	81	91	81	-	-	-	-	86	84	
Other information:											
Management fee expense/(income)	-	-	13,618	14,702	(13,618)	(14,702)	-	-	-	-	
Depreciation expenses (include right-of-use assets)	9,359	9,108	21,240	21,993	1,264	1,064	-	-	31,863	32,165	
Capital expenditure	36,254	56,750	8,172	10,424	346	1,071	-	-	44,772	68,245	
	Corrie MacColl Group		HRC Group		Corporate		Elimination		Consolidated		
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	
Segment Assets	1,238,174	1,271,969	1,025,402	1,054,205	1,637,769	1,637,419	(1,936,940)	(2,048,636)	1,964,405	1,914,957	
Segment Liabilities	790,262	808,246	844,709	866,140	852,352	1,029,239	(1,271,604)	(1,377,656)	1,215,719	1,325,969	

15. Segmental information – Additional information for Full Year Announcement

Geographical information

Sales of natural rubber	FY 2020 (US\$ million)	FY 2019 (US\$ million)
Singapore	41.3	27.1
Asia (excluding Singapore and China)	497.2	562.7
China	515.7	507.3
USA/Canada	325.9	396.2
Europe	289.5	374.2
Others	39.2	40.3
Total	1,708.8	1,907.8

The table above shows the Group's revenue by geographical locations (based on the origin of the customers' ultimate parent company).

The Group's segment assets (non-current assets including intangible assets, property, plant and equipment, investment properties, plantation related properties, biological assets, other assets, deferred charges, loan receivable and investment in associate) by geographical location are presented below:

Non-current assets	31 Dec 2020 (US\$ million)	31 Dec 2019 (US\$ million)
Asia	635.0	584.8
Africa	559.7	500.7
Europe	28.0	28.8
Others	17.0	15.7
Total	1,239.7	1,130.0

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

Corrie MacColl Group

The Group's operating loss position in the current year is substantially driven by Corrie MacColl's operational losses, which was the opposite of the FY2019 situation. This is mainly due to a lower fair value gain on biological assets of US\$3.5 million in FY2020, as compared to US\$52.7 million in the previous year.

Further aggravating the loss situation are the lower contribution margins in FY2020, which was caused by both lower volume and lower unit margins. This was mainly due to the severe downward pressure on rubber prices and sluggish downstream demand for consumer products amid COVID-19, that has affected our margins during H1 2020. The subsequent recovery in H2 2020 was gradual and uneven, amid uncertainties arising from resurgence of cases, as well as United States Presidential Election, are insufficient to set off the H1 2020 losses.

HRC Group

Excluding the management fees charged, HRC Group's operating profit has doubled from US\$8.0 million in FY2019 to US\$16.1 million in FY2020. Higher operating profit contribution by HRC Group is mainly driven by an improved unit margins during the year, following a rapid improvement in the tyre sector demand from the aftermath of COVID-19.

Lower sales volume in FY2020 was an offsetting factor to an improved unit margins, as downstream tyre factories to be furloughed in the peak of COVID-19 during H1 2020, which affected the procurement volumes of the downstream tyre makers.

Effective cost containment strategies have also contributed to the improvement in segmental operating profit during the year.

17. Breakdown of sales and profit/(loss) after tax in the first half and second half of the financial year

Breakdown of Sales and loss after taxation in the first half and second half of the financial year

	Group		
	FY 2020 (Unaudited)	FY 2019 (Audited)	Increase/ (Decrease)
	US\$'000	US\$'000	%
(a) Sales reported for first half year	770,174	911,887	-15.5%
(b) Loss after tax before deducting non-controlling interests reported for first half year	(41,608)	(3,799)	995.2%
(c) Sales reported for second half year	938,612	995,860	-5.7%
(d) (Loss)/Profit after tax before deducting non-controlling interests reported for second half year	(19,414)	69	n/m

18. A breakdown of the total dividend (in dollar value) for the issuer's latest full year and its previous full year

	FY 2020 (Unaudited) S\$'000	FY 2019 (Audited) S\$'000
Declared and paid during the financial year:		
-Final exempt (one-tier) dividend for 2020 and 2019: NIL per share	-	-
Proposed but not recognised as a liability as at 31 December:		
Dividends on ordinary shares, subject to shareholders' approval at the AGM:		
-Final exempt (one-tier) dividend for 2020 and 2019: NIL per share	-	-

19. Undertakings from Directors and executive officers pursuant to Rule 720(1)

The Company confirms that each of its directors and executive officers has provided and has not withdrawn, a duly signed undertaking in the format set out in Appendix 7.7 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

20. Additional information relating to acquisitions and realisations pursuant to Rule 706A

Striking off of dormant subsidiaries

Halcyon Rubber Estates Sdn. Bhd., a dormant indirect wholly-owned subsidiary incorporated in Malaysia, was struck off the register on 28 August 2020 pursuant to Section 550 of the Companies Act 2016 of Malaysia (the “CA 2016”).

JFL Agro Sdn. Bhd., a dormant indirect wholly-owned subsidiary incorporated in Malaysia, has applied to the Companies Commission of Malaysia for its name to be struck off the register pursuant to Section 550 of CA 2016.

The abovementioned dissolution of dormant subsidiaries does not/ is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Group.

21. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a Director, Chief Executive Officer or substantial shareholder of the Company.

By Order of the Board

Li Xuetao
Executive Director and CEO
Singapore, 26 February 2021