



*PRESERVING TRADITIONS,  
INSPIRING GENERATIONS*

## OTS Holdings Limited

### Condensed Unaudited Financial Statements For the Second Half Year (“2H2021”) and Full Year (“FY2021”) Ended 30 June 2021

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This announcement has been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “**Sponsor**”). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  
For the Second Half Year (“2H2021”) and Full Year (“FY2021”) Ended 30 June 2021**

	Note	Group			Group		
		2H2021 \$'000	2H2020 \$'000	Changes (%)	FY2021 \$'000	FY2020 \$'000	Changes (%)
Revenue	3	17,388	19,894	(12.6)	38,506	34,535	11.5
Cost of sales		(12,254)	(13,796)	(11.2)	(26,719)	(24,287)	10.0
Gross profit		5,134	6,098	(15.8)	11,787	10,248	15.0
Other income and gains		313	707	(55.7)	944	824	14.6
Marketing and distribution costs		(1,019)	(1,154)	(11.7)	(2,128)	(2,074)	2.6
Administrative expenses		(2,786)	(2,191)	27.2	(5,117)	(4,194)	22.0
Finance cost		(133)	(126)	5.6	(281)	(261)	7.7
Other losses		(1,108)	(53)	1,990.6	(1,212)	(80)	1,415.0
Share of loss from joint venture		(51)	(51)	-	(115)	(73)	57.5
<b>Profit before income tax</b>		350	3,230	(89.2)	3,878	4,390	(11.7)
Income tax expense		(238)	(474)	(49.8)	(889)	(839)	6.0
<b>Profit for the period</b>		112	2,756	(95.9)	2,989	3,551	(15.8)
<b>Other comprehensive income (loss):</b>							
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Exchange differences on translating foreign operations, net of tax		(35)	(9)	288.9	(27)	(12)	125.0
<b>Other comprehensive loss for the period, net of tax</b>		(35)	(9)	288.9	(27)	(12)	125.0
<b>Total comprehensive income</b>		77	2,747	(97.2)	2,962	3,539	(16.3)
<b>Other information</b>							
IPO expenses included in other losses		900	-	NM	1,056	-	NM
<b>Profit for the period excluding IPO expenses</b>		1,012	2,756	(63.3)	4,045	3,551	13.9

NM: Not Meaningful

IPO: Initial Public Offering

**Condensed Statements of Financial Position  
For the Second Half Year (“2H2021”) and Full Year (“FY2021”) Ended 30 June 2021**

	Notes	Group		Company	
		FY2021 \$'000	FY2020 \$'000	FY2021 \$'000	FY2020 \$'000
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment		10,897	11,100	140	215
Right-of-use assets		3,317	3,395	-	-
Intangible assets		-*	-*	-	-
Investments in subsidiaries		-	-	14,771	14,771
Investment in joint venture		760	425	950	500
Other non-financial assets		-	51	-	-
<b>Total non-current assets</b>		<u>14,974</u>	<u>14,971</u>	<u>15,861</u>	<u>15,486</u>
<b><u>Current assets</u></b>					
Inventories		7,815	9,954	-	-
Trade and other receivables		5,982	6,041	338	244
Other non-financial assets		545	285	26	6
Cash and cash equivalents		15,867	5,044	9,030	168
<b>Total current assets</b>		<u>30,209</u>	<u>21,324</u>	<u>9,394</u>	<u>418</u>
<b>Total assets</b>		<u>45,183</u>	<u>36,295</u>	<u>25,255</u>	<u>15,904</u>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital	9	22,469	14,771	22,469	14,771
Retained earnings		7,211	5,226	941	524
Foreign currency reserve		(40)	(13)	-	-
<b>Total equity</b>		<u>29,640</u>	<u>19,984</u>	<u>23,410</u>	<u>15,295</u>
<b><u>Non-current liabilities</u></b>					
Deferred tax liabilities		435	241	-	-
Provision		588	588	-	-
Loans and borrowings	10	3,238	3,904	-	-
Lease liabilities		3,175	3,278	-	-
Other non-financial liabilities		105	218	6	15
<b>Total non-current liabilities</b>		<u>7,541</u>	<u>8,229</u>	<u>6</u>	<u>15</u>
<b><u>Current liabilities</u></b>					
Income tax payable		508	139	-	-
Trade and other payables		5,979	5,962	1,831	581
Loans and borrowings	10	1,084	1,352	-	-
Lease liabilities		317	267	-	-
Other non-financial liabilities		114	362	8	13
<b>Total current liabilities</b>		<u>8,002</u>	<u>8,082</u>	<u>1,839</u>	<u>594</u>
<b>Total liabilities</b>		<u>15,543</u>	<u>16,311</u>	<u>1,845</u>	<u>609</u>
<b>Total equity and liabilities</b>		<u>45,183</u>	<u>36,295</u>	<u>25,255</u>	<u>15,904</u>

\* Below \$1,000

**Condensed Statements of Changes in Equity  
For the Second Half Year (“2H2021”) and Full Year (“FY2021”) Ended 30 June 2021**

<b>Group</b>	<b>Total equity \$'000</b>	<b>Share capital \$'000</b>	<b>Retained earnings \$'000</b>	<b>Foreign currency translation reserve \$'000</b>
<b>Current year</b>				
Opening balance at 1 July 2020	19,984	14,771	5,226	(13)
<b>Changes in equity</b>				
Total comprehensive income for the period	2,885	-	2,877	8
Closing balance at 31 December 2020	22,869	14,771	8,103	(5)
Total comprehensive income (loss) for the period	77	-	112	(35)
Issue of new shares pursuant to listing	8,130	8,130	-	-
Capitalisation of listing expenses	(432)	(432)	-	-
Dividend payable	(1,004)	-	(1,004)	-
Closing balance at 30 June 2021	29,640	22,469	7,211	(40)
<b>Previous year</b>				
Opening balance at 1 July 2019	16,962	14,771	2,192	(1)
<b>Changes in equity</b>				
Total comprehensive income (loss) for the year	792	-	795	(3)
Closing balance at 31 December 2019	17,754	14,771	2,987	(4)
Total comprehensive income (loss) for the period	2,747	-	2,756	(9)
Dividend payable	(517)	-	(517)	-
Closing balance at 30 June 2020	19,984	14,771	5,226	(13)
<b>Company</b>				
<b>Current year</b>				
Opening balance at 1 July 2020	15,295	14,771	524	-
<b>Changes in equity</b>				
Total comprehensive income for the period	1,024	-	1,024	-
Closing balance at 31 December 2020	-	14,771	1,548	-
Total comprehensive income for the period	397	-	397	-
Issue of new share pursuant to listing	8,130	8,130	-	-
Capitalisation of listing expenses	(432)	(432)	-	-
Dividend payable	(1,004)	-	(1,004)	-
Closing balance at 30 June 2021	23,410	22,469	941	-
<b>Previous year</b>				
Opening balance at 1 July 2019	15,241	14,771	470	-
<b>Changes in equity</b>				
Total comprehensive income for the period	10	-	10	-
Closing balance at 31 December 2019	15,251	14,771	480	-
Total comprehensive income for the period	561	-	561	-
Dividend payable	(517)	-	(517)	-
Closing balance at 30 June 2020	15,295	14,771	524	-



**Condensed Consolidated Statement of Cash Flows  
For the Second Half Year ("2H2021") and Full Year ("FY2021") Ended 30 June 2021**

	Group		Group	
	2H2021	2H2020	FY2021	FY2020
	\$'000	\$'000	\$'000	\$'000
<b><u>Cash flows from operating activities</u></b>				
Profit before income tax	350	3,230	3,878	4,390
Adjustments for:				
Amortisation of deferred capital grants	(60)	(68)	(123)	(124)
Depreciation of property, plant and equipment	600	499	1,091	1,045
Depreciation of right-of-use assets	168	158	322	286
Interest income	(4)	(6)	(7)	(7)
Interest expense	133	126	281	261
Gain on disposal of plant and equipment	(35)	(33)	(35)	(79)
Plant and equipment written-off	85	1	89	1
Share of loss from equity-accounted joint venture	51	51	115	73
Net effect of exchange rate change in consolidating subsidiaries	(26)	(2)	(22)	(3)
Operating cash flows before changes in working capital	1,262	3,956	5,589	5,843
Inventories	1,352	(4,576)	2,139	(5,276)
Trade and other receivables	1,145	(91)	(179)	(1,769)
Other non-financial assets	186	(46)	(260)	160
Trade and other payables	1,655	1,860	243	2,818
Net cash flows generated from operations	5,600	1,103	7,532	1,776
Income taxes (paid) refunded	(199)	8	(326)	8
Net cash flows generated from operating activities	5,401	1,111	7,206	1,784
<b><u>Cash flows used in investing activities</u></b>				
Purchase of plant and equipment	(339)	(151)	(989)	(476)
Disposal of plant and equipment	42	33	42	94
Other non-financial assets	51	(51)	51	(51)
Investment in joint venture	(250)	(200)	(450)	(500)
Interest received	4	6	7	7
Net cash flows used in investing activities	(492)	(363)	(1,339)	(926)
<b><u>Cash flows from financing activities</u></b>				
Dividend paid to equity shareholders	(1,004)	-	(1,521)	-
Increase in new borrowings	-	2,750	500	2,750
Repayment of loans and borrowings	(534)	(48)	(1,434)	(452)
Proceed from share subscription (net of IPO expenses)	7,698	-	7,698	-
Increase in other non-financial liabilities	-	27	-	27
Lease payments - principal and interest portion paid	(236)	(237)	(472)	(539)
Net movements in amount due to related party	146	-	291	-
Interest paid	(48)	(35)	(106)	(83)
Net cash flows from financing activities	6,022	2,457	4,956	1,703
<b>Net increase in cash and cash equivalents</b>	10,931	3,205	10,823	2,561
Cash and cash equivalents, beginning balance	4,936	1,839	5,044	2,483
<b>Cash and cash equivalents, ending balance</b>	15,867	5,044	15,867	5,044



**Notes to the Condensed Consolidated Financial Statements  
For the Second Half Year (“2H2021”) and Full Year (“FY2021”) Ended 30 June 2021**

**1. General**

OTS Holdings Limited (the “Company”) is incorporated in Singapore with limited liability. It is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited.

The financial statements are presented in Singapore dollar (“\$”) and they cover the Company and its subsidiaries (collectively, the “Group”). All balances in the financial statements are rounded to the nearest thousand except when otherwise indicated.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are the manufacturing and sale of halal and non-halal meat products.

The condensed statements of financial position of the Group as at 30 June 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed statements of changes in equity and condensed consolidated statement of cash flows for the six-month period and full-year then ended and certain explanatory notes have not been audited or reviewed by the auditors.

The latest audited annual financial statements for the reporting year ended 30 June 2020 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**COVID-19 related disclosures**

Management has not identified any material uncertainties resulting from the Covid-19 pandemic and the aftermath of the pandemic surrounding the reporting entity’s business, and accordingly none is disclosed in these financial statements.

**Basis of preparation**

These condensed unaudited financial statements (also known as condensed interim financial statements) have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. They are also in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board and the provisions of the Listing Manual Section B: Rules of Catalist of the SGX-ST (“Catalist Rules”). The Company’s separate financial statements have been prepared on the same basis, and as permitted by the Catalist Rules, the Company’s separate statement of profit or loss and other comprehensive income and statement of cash flows are not presented

The accounting policies and methods of computation applied in these condensed unaudited financial statements are consistent with those of the latest audited annual financial statements for the reporting year ended 30 June 2020. However, the typical notes and information included in the latest audited annual financial statements are not included in these condensed unaudited financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position the Group since the latest audited annual financial statements.

## 1. General (cont'd)

### Critical judgements, assumptions and estimation uncertainties

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed unaudited financial statements.

The critical judgements 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 latest audited annual financial statements as at and for the year ended 30 June 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are as follows:

- Assessment of impairment of trade receivables
- Assessment of impairment of inventories
- Assessment of impairment of property, plant and equipment and right-of-use assets

## 2. Financial information by operating segments

### 2A. Information about reportable segment profit or loss, assets and liabilities

The segments and the types of products and services are as follows:

	<u>2H2021</u> \$'000	<u>2H2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
<u>Revenue by segment</u>				
Modern Trade ("MT")	4,635	6,713	9,851	10,964
General Trade ("GT")	8,603	8,258	18,897	14,090
Food Services ("FS")	2,692	2,811	5,916	6,097
Others ("OT")	1,458	2,112	3,842	3,384
	<u>17,388</u>	<u>19,894</u>	<u>38,506</u>	<u>34,535</u>

1. Modern Trade ("MT") refers to sales generated from major supermarkets.
2. General Trade ("GT") refers to sales generated from convenience stores, provision shops and wholesalers.
3. Food Services ("FS") refers to sales generated from hotels, restaurants, hawker centres, food courts, food and beverages stores, and caterers.
4. Others ("OT") refers to sales that are mainly generated from e-commerce platforms and the export markets. The OT segment also includes other income such as vehicle rental income and miscellaneous income.



**2. Financial information by operating segments (cont'd)**

**2B. Profit or loss for the financial period ended 30 June from continuing operations and reconciliations**

	<u>MT</u> \$'000	<u>GT</u> \$'000	<u>FS</u> \$'000	<u>OT</u> \$'000	<u>Total</u> \$'000
<u>Revenue by segment</u>					
<u>FY2021</u>					
Total revenue by segment	9,851	19,873	5,916	14,575	50,215
Inter-segment sales	-	(976)	-	(10,733)	(11,709)
Total revenue	<u>9,851</u>	<u>18,897</u>	<u>5,916</u>	<u>3,842</u>	<u>38,506</u>
Recurring EBITDA	939	2,205	1,214	1,206	5,564
Depreciation expenses	(314)	(602)	(189)	(308)	(1,413)
Amortisation of deferred capital grants	32	61	19	11	123
Finance costs	(72)	(139)	(44)	(26)	(281)
Share of loss from joint venture	-	-	-	(115)	(115)
Profit before tax	<u>585</u>	<u>1,525</u>	<u>1,000</u>	<u>768</u>	<u>3,878</u>
Income tax expense					(889)
Profit, net of income tax					<u><u>2,989</u></u>
<u>FY2020</u>					
Total revenue by segment	10,964	14,968	6,097	8,921	40,950
Inter-segment sales	-	(878)	-	(5,537)	(6,415)
Total revenue	<u>10,964</u>	<u>14,090</u>	<u>6,097</u>	<u>3,384</u>	<u>34,535</u>
Recurring EBITDA	1,197	2,441	1,162	1,131	5,931
Depreciation expenses	(370)	(475)	(206)	(280)	(1,331)
Amortisation of deferred capital grants	39	51	22	12	124
Finance costs	(83)	(107)	(46)	(25)	(261)
Share of loss from joint venture	-	-	-	(73)	(73)
Profit before tax	<u>783</u>	<u>1,910</u>	<u>932</u>	<u>765</u>	<u>4,390</u>
Income tax expense					(839)
Profit, net of income tax					<u><u>3,551</u></u>
<u>2H2021</u>					
Total revenue by segment	4,635	8,865	2,692	4,142	20,334
Inter-segment sales	-	(262)	-	(2,684)	(2,946)
Total revenue	<u>4,635</u>	<u>8,603</u>	<u>2,692</u>	<u>1,458</u>	<u>17,388</u>
Recurring EBITDA	212	445	378	207	1,242
Depreciation expenses	(177)	(332)	(104)	(155)	(768)
Amortisation of deferred capital grants	16	30	9	5	60
Finance costs	(35)	(66)	(21)	(11)	(133)
Share of loss from joint venture	-	-	-	(51)	(51)
Profit before tax	<u>16</u>	<u>77</u>	<u>262</u>	<u>(5)</u>	<u>350</u>
Income tax expense					(238)
Profit, net of income tax					<u><u>112</u></u>

**2. Financial information by operating segments (cont'd)**

**2B. Profit or loss for the financial period ended 30 June from continuing operations and reconciliations (cont'd)**

	<u>MT</u> \$'000	<u>GT</u> \$'000	<u>FS</u> \$'000	<u>OT</u> \$'000	<u>Total</u> \$'000
<u>Revenue by segment</u>					
<u>2H2020</u>					
Total revenue by segment	6,713	8,804	2,811	5,400	23,728
Inter-segment sales	-	(546)	-	(3,288)	(3,834)
Total revenue	<u>6,713</u>	<u>8,258</u>	<u>2,811</u>	<u>2,112</u>	<u>19,894</u>
Recurring EBITDA	897	1,644	624	831	3,996
Depreciation expenses	(194)	(235)	(70)	(158)	(657)
Amortisation of deferred capital grants	23	29	9	7	68
Finance costs	(44)	(53)	(16)	(13)	(126)
Share of loss from joint venture	-	-	-	(51)	(51)
Profit before tax	<u>682</u>	<u>1,385</u>	<u>547</u>	<u>616</u>	<u>3,230</u>
Income tax expense					(474)
Profit, net of income tax					<u>2,756</u>

**2C. Assets and reconciliations**

	<u>MT</u> \$'000	<u>GT</u> \$'000	<u>FS</u> \$'000	<u>OT</u> \$'000	<u>Total</u> \$'000
<u>FY2021</u>					
Segment assets	11,340	21,751	6,810	4,522	44,423
Investment in joint venture	-	-	-	760	760
Total assets	<u>11,340</u>	<u>21,751</u>	<u>6,810</u>	<u>5,282</u>	<u>45,183</u>
Segment liabilities	3,601	6,907	2,162	1,930	14,600
Deferred tax liabilities	-	-	-	-	435
Income tax payable	-	-	-	-	508
Total liabilities	<u>3,601</u>	<u>6,907</u>	<u>2,162</u>	<u>1,930</u>	<u>15,543</u>
<u>FY2020</u>					
Segment assets	11,162	14,344	6,208	4,156	35,870
Investment in joint venture	-	-	-	425	425
Total assets	<u>11,162</u>	<u>14,344</u>	<u>6,208</u>	<u>4,581</u>	<u>36,295</u>
Segment liabilities	4,809	6,179	2,673	2,270	15,931
Deferred tax liabilities	-	-	-	-	241
Income tax payable	-	-	-	-	139
Total liabilities	<u>4,809</u>	<u>6,179</u>	<u>2,673</u>	<u>2,270</u>	<u>16,311</u>

**2D. Other material items and reconciliations**

	<u>MT</u> \$'000	<u>GT</u> \$'000	<u>FS</u> \$'000	<u>OT</u> \$'000	<u>Total</u> \$'000
<u>Expenditure for non-current assets</u>					
As at 30 June 2021	255	490	153	541	1,439
As at 30 June 2020	<u>168</u>	<u>216</u>	<u>93</u>	<u>541</u>	<u>1,027</u>

**2. Financial information by operating segments (Cont'd)**

**2E. Geographical information**

	<u>2H2021</u> \$'000	<u>2H2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
<u>Revenue</u>				
Singapore	12,229	13,821	24,513	25,486
Malaysia	4,593	5,085	12,119	7,433
Other	566	988	1,874	1,616
	<u>17,388</u>	<u>19,894</u>	<u>38,506</u>	<u>34,535</u>
			<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
<u>Non-current assets</u>				
Singapore			13,690	14,273
Malaysia			524	273
Other			760	425
			<u>14,974</u>	<u>14,971</u>

**3. Disaggregation of revenue**

	<u>2H2021</u> \$'000	<u>2H2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
Sales of goods	17,192	19,688	37,971	34,225
Rental of vehicles	111	140	222	220
Miscellaneous income	85	66	313	90
	<u>17,388</u>	<u>19,894</u>	<u>38,506</u>	<u>34,535</u>

**4. Profit, net of tax and total comprehensive income is arrived after crediting/(charging) the following:**

	<u>2H2021</u> \$'000	<u>2H2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
Other income				
- amortisation of deferred capital grants	60	68	123	124
- interest income	4	6	7	7
- government grant	173	535	807	596
Depreciation expense				
- property plant and equipment	(600)	(499)	(1,091)	(1,045)
- right-of-use assets	(168)	(158)	(322)	(286)
Finance cost				
- interest expense on borrowings	(48)	(35)	(106)	(83)
- lease-related interest expense	(85)	(91)	(175)	(178)
Gain on disposal of plant and equipment	35	33	35	79
Plant and equipment written-off	(85)	(1)	(89)	(1)
Foreign exchange gain/loss	(142)	(51)	(102)	(79)
Bad debt written-off	(6)	-	(6)	-
IPO expenses	(900)	-	(1,056)	-

## 5. Earnings per share

	<u>2H2021</u>	<u>2H2020</u>	<u>FY2021</u>	<u>FY2020</u>
Basic / diluted earnings per share, \$ cent	<u>0.06</u>	<u>1.54</u>	<u>1.65</u>	<u>1.99</u>
Weighted average number of shares (‘000)	<u>180,008</u>	<u>178,652</u>	<u>180,008</u>	<u>178,652</u>

The earnings per share is computed by dividing the profit after tax attributable to owners of the Company against the weighted average number of shares, taken into account of share split for the respective reporting periods.

The basic and diluted earnings per share for all respective financial periods are the same as the share option and performance shares granted are anti-dilutive taken into account of the share split and there were no other outstanding convertibles or other dilutive equity instruments.

## 6. Income tax

	<u>2H2021</u> \$'000	<u>2H2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
<u>Income tax expense</u>				
Current year tax expense	128	124	720	158
Over provision to tax in respect of prior years	(26)	-*	(25)	-*
Subtotal	<u>102</u>	<u>124</u>	<u>695</u>	<u>158</u>
<u>Deferred tax expense</u>				
Deferred tax expense	106	324	164	536
Under provision to tax in respect of prior years	30	26	30	145
Subtotal	<u>136</u>	<u>350</u>	<u>194</u>	<u>681</u>
Total income tax expense	<u>238</u>	<u>474</u>	<u>889</u>	<u>839</u>

\* Below \$1,000

## 7. Dividends on equity shares

	<u>2H2021</u>	<u>2H2020</u>	<u>FY2021</u>	<u>FY2020</u>
<u>Interim tax exempt (1-tier) dividend</u>				
Rate per share (in cents)	<u>6.80</u>	<u>3.50</u>	<u>6.80</u>	<u>3.50</u>
Total dividend (\$'000)	<u>1,004</u>	<u>517</u>	<u>1,004</u>	<u>517</u>

## 8. Acquisition of subsidiaries / subsidiary / joint venture / associate

The Group has not acquired subsidiaries/joint venture/associate. But newly set up a subsidiary in Philippines on 5 April 2021. Details of the subsidiary are as follows:

Name	:	GB Global Philippines Corporation
Place of incorporation	:	Philippines
Date of incorporation	:	5 April 2021
Principal activities	:	Sales of meat products
Issued and paid-up share capital	:	PHP10 million comprising 100,000 shares (unpaid)
Interest held by the Group	:	100.00%

## 9. Share capital

	Number of shares '000	Share capital \$'000
<u>Ordinary shares</u>		
Balance as at 1 July 2019 and 30 June 2020	14,771	14,771
Share split (effected on 1 June 2021)	163,881	-
New shares issued pursuant to listing	35,000	8,050
New shares issued to Sponsor	348	80
Capitalisation of listing expenses	-	(432)
Balance as at 30 June 2021	<u>214,000</u>	<u>22,469</u>

The Group has no treasury shares or subsidiary holdings or convertible instruments as at 30 June 2021 and 30 June 2020.

## 10. Loans and borrowings

	<u>Secured</u>		<u>Unsecured</u>	
	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
<u>Group</u>				
Repayable in one year or less, or on demand:				
Bank loan 1 (secured) (Note 10A)	305	298	-	-
Bank loan 2 (secured) (Note 10A)	141	137	-	-
Bank loan 3 (unsecured) (Note 10B)	-	-	393	288
Bank loan 4 (unsecured) (Note 10B)	-	-	245	250
Trust receipts and bill payables (secured)	-	379	-	-
Subtotal	<u>446</u>	<u>814</u>	<u>638</u>	<u>538</u>
Repayable after one year:				
Bank loan 1 (secured) (Note 10A)	392	697	-	-
Bank loan 2 (secured) (Note 10A)	873	1,015	-	-
Bank loan 3 (unsecured) (Note 10B)	-	-	1,229	1,212
Bank loan 4 (unsecured) (Note 10B)	-	-	744	980
Trust receipts and bill payables (secured)	-	-	-	-
Subtotal	<u>1,265</u>	<u>1,712</u>	<u>1,973</u>	<u>2,192</u>
Total	<u>1,711</u>	<u>2,526</u>	<u>2,611</u>	<u>2,730</u>

The Company does not has loans and borrowings for FY2021 and FY2020.

**10A. Bank loan 1 and 2 (secured)**

The loans are secured by legal mortgage over the property at 30 Senoko South Road, Singapore 758088: and the existing joint and several personal guarantee from certain directors and controlling shareholder of the group.

**10B. Bank loan 3 and 4 (unsecured)**

The loans are covered by existing joint and several personal guarantee from certain directors and controlling shareholder of the group.

Notes: As the date of this announcement, the group is in the midst of converting the personal guarantees provided by our directors Mr Ong Bee Chip, Madam Ong Chew Yong, and Mr Ong Bee Song for banking facilities to corporate guarantees from the company.

**11. Net assets value**

	<u>Group</u>		<u>Company</u>	
	<u>FY2021</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2020</u>
Net assets value per ordinary share (\$ cents)	<u>13.85</u>	<u>11.19</u>	<u>10.94</u>	<u>8.56</u>

The net asset value per ordinary share of the Group and the Company have been calculated based on the total issued number of ordinary shares of 214,000,000 as at 30 June 2021 and 178,652,173 as at 30 June 2020 respectively.

**12. Related party transactions**

There are transactions and arrangements between the Group and related parties and the effects of these on the basis determined between the parties are reflected in these consolidated financial statements. The related party balances and any financial guarantees are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

<u>Related party</u>	<u>2H2021</u>	<u>2H2020</u>	<u>FY2021</u>	<u>FY2020</u>
	\$'000	\$'000	\$'000	\$'000
PT Delta Bridge Food				
- sales of equipment	-	-	-	60
- sales of goods	55	12	120	27
- miscellaneous income	2	-	44	-
Other related parties- entity with no significant <u>influence over the group</u>				
Swee Heng Bakery Pte Ltd				
- sales of goods	578	582	1,222	1,207
Hock Eek Seng Machinery Pte Ltd				
- purchase of forklifts and maintenance and repair services	<u>70</u>	<u>3</u>	<u>96</u>	<u>33</u>

### 13. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting period/ year:

	<u>Group</u>		<u>Company</u>	
	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	21,849	11,085	9,368	412
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	13,715	14,680	1,831	581

### 14. Contingent liabilities and contingent assets

There are no contingent liabilities and contingent assets as at date of this set of condensed unaudited financial statements.

### 15. Capital commitments

Estimated amounts committed at the end of the financial year for future capital expenditure but not recognised in the condensed unaudited financial statements are as follows:

	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
Commitments to purchase plant and equipment	1,288	107
Investment in subsidiary	276	-
	<u>1,564</u>	<u>107</u>

### 16. Events after the end of the reporting period

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

### 17. Changes and adoption of financial reporting standards

The same accounting policies and methods of computation used in the latest audited annual financial statements have been applied.

**OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C**

1. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business**

**FY2021 vs FY2020**

**Statement of Comprehensive Income**

**Revenue**

Our revenue increased by approximately \$3.97 million or 11.5%, from approximately \$34.54 million in FY2020 to approximately \$38.51 million in FY2021, due to an increase in sales from General Trade and Others, partially offset by a decrease in sales from Modern Trade, and Food Services.

**Business Segments**

Revenue from the Modern Trade segment decreased by approximately \$1.11 million or 10.2%, from approximately \$10.96 million in FY2020 to approximately \$9.85 million in FY2021, mainly due to absence of stockpiling by major supermarkets as part of Singapore Government's effort to manage food supply disruptions during the initial stage of the pandemic, offset by a change in product mix by our Group to focus on higher margin products.

Revenue from the General Trade segment increased by approximately \$4.80 million or 34.1%, from approximately \$14.10 million in FY2020 to approximately \$18.90 million in FY2021, mainly due to an increase in product sales in Malaysia.

Revenue from the Food Services segment decreased by approximately \$0.18 million or 3.0%, from approximately \$6.10 million in FY2020 to approximately \$5.92 million in FY2021 mainly due to dine-in restriction imposed, which is caused by the pandemic.

Revenue from the Others segment increased by approximately \$0.46 million or 13.5%, from approximately \$3.38 million in FY2020 to approximately \$3.84 million in FY2021, mainly due to an increase in export sales to new customers in Hong Kong.

**Geographical information**

Revenue from the Singapore segment decreased by approximately \$0.98 million or 3.8%, from approximately \$25.49 million in FY2020 to approximately \$24.51 million in FY2021, mainly due to absence of stockpiling by major supermarkets as part of Singapore Government's effort to manage food supply disruptions during the initial stage of the pandemic, offset by a change in product mix by our Group to focus on higher margin products.

Revenue from the Malaysia segment increased by approximately \$4.69 million or 63.0%, from approximately \$7.43 million in FY2020 to approximately \$12.12 million in FY2021, mainly due to an increase in product sales to new and existing customers.

Revenue from the other segment increased by approximately \$0.25 million or 16.0%, from approximately \$1.62 million in FY2020 to approximately \$1.87 million in FY2021, mainly due to an increase in export sales to Hong Kong.

**Cost of sales**

Our cost of sales increased by approximately \$2.43 million or 10.0%, from approximately \$24.29 in FY2020 to approximately \$26.72 in FY2021, mainly due to an increase in raw material purchases. This increase is in line with the increase in revenue.



1. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)**

**Gross profit and gross profit margin**

As a result of the above, gross profit increased by \$1.54 million or 15.0% from \$10.25 million in FY2020 to \$11.79 million in FY2021. Gross profit margin increased by 0.9 percentage points from 29.7% in FY2020 to 30.6% in FY2021, mainly due to economies of scale achieved from higher production output.

**Other income**

Other income increased by approximately \$0.12 million or 14.6%, from approximately \$0.82 million in FY2020 to approximately \$0.94 million in FY2021, mainly due to (a) increase in job support scheme ("JSS") of approximately \$0.08 million, (b) increase in other government subsidies of approximately \$0.12 million, and was offset by (c) the absence of gain from disposal of fixed asset amounting to approximately \$0.08 million in FY2021.

**Expenses**

Marketing and distribution

Our marketing and distribution costs increased by approximately \$0.05 million or 2.6%, from approximately \$2.07 million in FY2020 to approximately \$2.13 million in FY2021, mainly due to an increase in advertising and promotion of approximately \$0.05 million.

Administrative expense

Our administrative expenses increased by approximately \$0.92 million or 22.0%, from approximately \$4.19 million in FY2020 to approximately \$5.12 million in FY2021, mainly due to (a) an increase in employee salaries and benefit by \$0.74 million, and (b) an increased in legal and professional expenses by \$0.19 million.

Depreciation of plant and equipment and right-of-use assets

Depreciation of plant and equipment and right-of-use assets increased by \$0.08 million from \$1.33 million in FY2020 to \$1.41 million in FY2021 due to acquisition of assets during the year.

The depreciation expenses are charged to cost of sales and administrative expenses.

Amortisation of deferred grants

Amortisation of deferred grants remained relatively constant in FY2021 and FY2020.

Finance cost

Our finance costs increased by approximately \$0.02 million or 7.7%, from approximately \$0.26 million in FY2020 to approximately \$0.28 million in FY2021, mainly due to (a) an increase in term loan interest by \$0.03 million, and offset by (b) a decrease in interest in trust receipt by \$0.01 million.

Other losses

Our losses increased by approximately \$1.13 million or 1,415.0%, from approximately \$0.08 million in FY2020 to approximately \$1.21 million in FY2021, mainly due to (a) increase in foreign exchange losses by \$0.02 million, (b) plant and equipment written off offset by gain on disposal of plant and equipment amounting to \$0.05 million, and (c) IPO expense recognised of approximately \$1.06 million in FY2021.

**1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)**

Income tax expense

Our income tax expenses increased by approximately \$0.05 million or 6.0%, from approximately \$0.84 million in FY2020 to approximately \$ 0.89 million in FY2021, mainly due to increase in Malaysia subsidiaries' tax payable.

Share of loss from joint venture

Share of loss from joint ventures increased by approximately \$0.04 million, from approximately \$0.07 million in FY2020 to approximately \$0.11 million in FY2021, mainly due to losses from Delta Bridge Pte. Ltd, a 50% joint venture of the Company, resulting from slow market penetration in Indonesia, due to Covid-19.

**Profit for the year**

As a result of the above, our profit for the period decreased by approximately \$0.56 million or 15.8% from approximately \$3.55 million in FY2020 to approximately \$2.99 million in FY2021.

Excluding the one-off IPO expenses incurred, our profit for the period would have been \$4.05 million for FY2021, an increase by approximately \$0.50 million or 14.1%, as compare to \$3.55 million in FY2020.

**2H2021 vs 2H2020**

**Statement of Comprehensive Income**

**Revenue**

Our revenue decreased by approximately \$2.51 million or 12.6%, from approximately \$19.89 million in 2H2020 to approximately \$17.39 million in 2H2021, due to decrease in sales from Modern Trade and Others.

Business Segments

Revenue from the Modern Trade segment decreased by approximately \$2.07 million or 30.8%, from approximately \$6.71 million in 2H2020 to approximately \$4.64 million in 2H2021, mainly due to absence of stockpiling by major supermarkets as part of Singapore Government's effort to manage food supply disruptions during the initial stage of the pandemic.

Revenue from the General Trade segment increased by approximately \$0.34 million or 4.1%, from approximately \$8.26 million in 2H2020 to approximately \$8.60 million in 2H2021, mainly due to an increase in product sales in Malaysia.

Revenue from the Food Services segment decreased by approximately \$0.12 million or 4.3%, from approximately \$2.81 million in 2H2020 to approximately \$2.69 million in 2H2021 mainly due to dine-in restriction imposed, which is caused by the pandemic.

Revenue from the Others segment decreased by approximately \$0.65 million or 30.8%, from approximately \$2.11 million in 2H2020 to approximately \$1.46 million in 2H2021, mainly due to a decrease in export sales to existing customers as a result of global pandemic and local political unrest but offset by an increase in export sales to Hong Kong.

**1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)**

Geographical information

Revenue from the Singapore segment decreased by approximately \$1.59 million or 11.5%, from approximately \$13.82 million in 2H2020 to approximately \$12.23 million in 2H2021, mainly due to absence of stockpiling by major supermarkets as part of Singapore Government's effort to manage food supply disruptions during the initial stage of the pandemic.

Revenue from the Malaysia segment decreased by approximately \$0.50 million or 9.8%, from approximately \$5.09 million in 2H2020 to approximately \$4.59 million in 2H2021, mainly due to a decrease in product sales to existing customers.

Revenue from the other segment decreased by approximately \$0.42 million or 42.4%, from approximately \$0.99 million in 2H2020 to approximately \$0.57 million in 2H2021, mainly due to a decrease in export sales to existing customers as a result of the global pandemic.

**Cost of sales**

Our cost of sales decreased by approximately \$1.54 million or 11.2%, from approximately \$13.80 million in 2H2020 to approximately \$12.25 million in 2H2021, mainly due to decrease in raw material purchases. This decrease is in line with the decrease in revenue.

**Gross profit and gross profit margin**

As a result of the above, gross profit decreased by \$0.96 million or 15.8% from \$6.10 million in 2H2020 to \$5.13 million in 2H2021. Gross profit margin decreased by 1.2 percentage points from 30.7% in 2H2020 to 29.5% in 2H2021, mainly due to lower production output as a result of decreased in sales.

**Other income**

Our other income decreased by approximately \$0.40 million or 55.7%, from approximately \$0.71 million in 2H2020 to approximately \$0.31 million in 2H2021, mainly due to (a) decrease in job support scheme ("JSS") of approximately \$0.27 million, (b) decrease in other government subsidies of approximately \$0.09 million, and (c) an absent of gain from disposal of plant and equipment approximately \$0.05 million in 2H2021.

**Expenses**

Marketing and distribution

Our marketing and distribution costs decreased by approximately \$0.14 million or 11.7%, from approximately \$1.15 million in 2H2020 to approximately \$1.02 million in 2H2021, mainly due to (a) a decrease in supermarket listing fees and advertising and promotion of approximately \$0.06 million, (b) a decrease in sales delivery expenses and sales commission of approximately \$0.15 million, offset by an increase in marketing material expenses of approximately \$0.07 million.

Administrative expense

Our administrative expenses increased by approximately \$0.59 million or 27.2%, from approximately \$2.19 million in 2H2020 to approximately \$2.78 million in 2H2021, mainly due to (a) an increase in employee salaries and benefit by \$0.40 million, (b) an increased in legal and professional expenses by \$0.17 million, and (c) an increase in office maintenance of approximately \$0.02 million.

**1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)**

Depreciation of plant and equipment and right-of-use assets

Depreciation of plant and equipment and right-of-use-assets increased by \$0.11 million from \$0.66 million in 2H2020 to \$0.77 million in 2H2021 due to acquisition of assets during the period.

The depreciation expenses are charged to cost of sales and administrative expenses.

Amortisation of deferred grants

Amortisation of deferred grants remained relatively constant in 2H2021 and 2H2020.

Finance cost

Our finance costs increased by approximately \$7,000 or 5.6%, from approximately \$126,000 in 2H2020 to approximately \$133,000 in 2H2021, mainly due to (a) an increase in term loan interest by \$13,000, (b) a decrease in lease liabilities interest by \$6,000.

Other losses

Our losses increased by approximately \$1.06 million or 1,990.6%, from approximately \$0.05 million in 2H2020 to approximately \$1.11 million in 2H2021, mainly due to (a) increase in foreign exchange losses by \$0.09 million, and (b) plant and equipment written off offset by gain on disposal of plant and equipment amounting to \$0.05 million, (c) bad debts written-off of approximately \$6,000, and (d) IPO expense recognised of approximately \$0.9 million in 2H2021.

Income tax expense

Our income tax expenses decreased by approximately \$0.24 million or 49.8%, from approximately \$0.48 million in 2H2020 to approximately \$0.24 million in 2H2021, mainly due to drop in profit.

Share of loss from joint venture

Share of loss from joint ventures was consistent at approximately \$0.05 million for 2H2020 and 2H2021, the losses from Delta Bridge Pte. Ltd., a 50% joint venture of the Company, resulting from slow market penetration in Indonesia, due to Covid-19.

**Profit for the period**

As a result of the above, our profit for the period decreased by approximately \$2.64 million or 95.9% from approximately \$2.76 million in 2H2020 to approximately \$0.11 million in 2H2021.

Excluding the one-off IPO expenses incurred, our profit for the period would have been \$1.01 million for 2H2021, an decrease by approximately \$1.75 million or 63.3%, as compare to \$2.76 million in 2H2020.

**Statement of Financial Position**

The comparative commentary for both the assets and liabilities are based on the Group's financial statements as at 30 June 2021 and 30 June 2020.

**1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)**

**Non-current assets**

Non-current assets remained constant at approximately \$14.97 million in both FY2021 and FY2020. The differences in breakdown are mainly due to (a) property, plant and equipment ("PPE") decreased by approximately \$0.20 million as a result of depreciation during the financial period and offset by capital expenditure incurred in the relation to purchase of equipment, (b) decrease in right-of-use assets by approximately \$0.08 million, as a result of depreciation and lease modification, (c) decrease in other non-financial assets comprised deposits for purchase of equipment which decreased as the Group received the equipment purchased during the year, and (d) increase in investment in joint venture, Delta Bridge Pte Ltd of approximately \$0.34 million.

**Current assets**

Current assets increased by approximately \$8.89 million from approximately \$21.32 million in FY2020 to approximately \$30.21 million in FY2021, mainly due to (a) increased in cash and cash equivalents by \$10.82 million, and (b) an advance payment paid for the raw material of approximately \$0.27 million, which offset by (a) decreased in inventories by approximately \$2.14 million; (b) decreased in trade and other receivables by approximately \$0.06 million.

**Non-current liabilities**

The Group's non-current liabilities decreased by approximately \$0.69 million from approximately \$8.23 million in FY2020 to approximately \$7.54 million in FY2021, mainly due to (a) the repayment of lease liabilities of approximately \$0.10 million, and loans and borrowings of approximately \$1.17 million in FY2021, (b) increased in new loans and borrowings of approximately \$0.5 million, (c) decreased in deferred capital grant of approximately \$0.11 million, (d) increased deferred tax liabilities from PPE acquired of approximately \$0.19 million, due to the difference between accounting policies of the Group and local tax legislation.

**Current liabilities**

Current liabilities decreased by approximately \$0.08 million from approximately \$8.08 million in FY2020 to approximately \$8.00 million in FY2021 mainly due to (a) decreased in loans and borrowings of approximately \$0.27 million, (b) decreased in deferred capital grant and JSS recognised of approximately \$0.25 million, which offset by (a) increased in provision of tax payable of approximately \$0.37 million, (b) increased in lease liabilities of approximately \$0.05 million, (c) increased in trade and other payables of approximately \$0.02 million.

**FY2021 vs FY2020**

**Statement of Cash Flows**

In FY2021, the Group's net cash flow generated from operating activities of approximately \$7.21 million was due to (a) operating cash inflow before working capital changes of approximately \$5.59 million, and (b) tax payment of approximately \$0.33 million, adjusted for net working capital inflow of approximately \$1.94 million. The net working capital inflow was mainly due to (a) an increase in trade and other receivables of approximately \$0.18 million; (b) an increase in other non-financial assets of approximately \$0.26 million, which was offset by a decrease in inventories of approximately \$2.14 million, and (b) an increase in trade and other payable of approximately \$0.24 million.

**1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)**

Net cash used in investing activities amounted to approximately \$1.34 million was due to (a) purchase of operation equipment and system, office equipment and renovation of approximately \$0.99 million; and (b) acquisition of joint venture of approximately \$0.45 million, which was partially offset by (a) gain from disposal of plant and equipment of approximately \$0.04 million, (b) decreased in other financial assets for the deposit for production equipment purchases of approximately \$0.05 million, (c) interest received of approximately \$7,000.

Net cash flows generated from financing activities amounted to approximately \$4.96 million was due to (a) net proceeds from new share issue approximately \$7.70 million, (b) new borrowings of approximately \$0.5 million, (c) payment paid by related party on behalf of approximately \$0.29 million. which offset by (a) repayment of loan and borrowing of approximately \$1.43 million; (b) repayment of finance lease of approximately \$0.47 million, and (c) interest payment on loans and borrowings of approximately \$0.11 million, (d) dividend paid to shareholders of approximately \$1.52 million.

As a result of the above, there was a net increase of approximately \$10.82 million in cash and cash equivalents. As at 30 June 2021, our cash and cash equivalents amounted to approximately \$15.87 million.

**2H2021 vs 2H2020**

**Statement of Cash Flows**

In 2H2021, The Group's net cash flow generated from operating activities of approximately \$5.40 million was due to (a) operating cash inflow before working capital changes of approximately \$1.26 million, and (b) tax payable of approximately of \$0.20 million, adjusted for net working capital inflow of approximately \$4.34 million. The net working capital inflow was mainly due to (a) a decrease in trade and other receivables of approximately \$1.15 million; (b) a decrease in other non-financial assets of approximately \$0.19 million; (c) an increase in trade and other payable of approximately \$1.65 million, (d) a decrease in inventories of approximately \$1.35 million.

**Statement of Cash Flows (cont'd)**

Net cash used in investing activities amounted to approximately \$0.49 million was due to (a) purchase of operation equipment and system, office equipment and renovation of approximately \$0.34 million; and (b) acquisition of joint venture of approximately \$0.25 million, which was partially offset by (a) gain from disposal of plant and equipment of approximately \$0.04 million, (b) decreased in other financial assets for the deposit for production equipment purchases of approximately \$0.05 million, (c) interest received of approximately \$4,000.

Net cash flows generated from financing activities amounted to approximately \$6.02 million was due to (a) net proceeds from new share issue approximately \$7.70 million, (b) payment paid by related party on behalf of approximately \$0.14 million which offset by (a) repayment of loan and borrowings of approximately \$0.53 million; (b) repayment of finance lease of approximately \$0.24 million, and (c) interest payment on loans and borrowings of approximately \$0.05 million, (d) dividend paid to shareholders of approximately \$1.00 million.

As a result of the above, there was a net increase of approximately \$10.93 million in cash and cash equivalents. As at 30 June 2021, our cash and cash equivalents amounted to approximately \$15.87 million.

**1. Seasonal operations**

The Group's businesses activities are generally subject to seasonal fluctuations in the demand for our product, which increases during festive periods.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders

**3. 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 period and the next 12 months**

The Group's listing on the Catalist board of the SGX-ST on 17 June 2021 marks a monumental milestone for the Group, raising net proceeds of approximately S\$6.56 million. As mentioned in the Group's offer document dated 8 June 2021, the Group has identified various growth initiatives and here are some of our key focus in the coming period:

1. Commencement of operation in Philippines during the first half of the financial year ended 30 June 2022 ("FY2022")
2. Introduction of plant-based products that is targeted to be launched in the second half of FY2022
3. Expanding the distribution business of non-house brand products in FY2022 across our channel networks

The Board and Management will continuously develop and manage the Group's brands and product portfolio that are supported by our in-house research and development team. At the same time, we will strive towards greater economies of scale and expansion of our production capacities through automation and technological improvements. The Group will also continue to look out for opportunities to expand our business activities in overseas markets.

**4. 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 period and the next 12 months (cont'd)**

The Group remains cautiously optimistic on the outlook for the next 12 months in view of the Covid-19 pandemic which has resulted in economic uncertainties and business disruptions in many countries, including in our overseas markets, Malaysia and Philippines. The Group will continue to monitor the situation and take necessary precautions and measures in light of the evolving conditions.

**4. Use of proceeds**

	<u>Amount allocated</u> \$'000	<u>Amount utilised</u> \$'000	<u>Balance</u> \$'000
Improvement and/or expansion of production efficiency and capacities, including the acquisition of new machineries and equipment	2,000	(550)	1,450
Expansion of our overseas operations, including the initial investment and set up costs of Philippines	2,500	-	2,500
Developing new products and engaging in research and development	500	(133)	367
General working capital purposes	1,562	(16) <sup>(a)</sup>	1,546
	<u>6,562</u>	<u>(699)</u>	<u>5,863</u>

Note:

<sup>(a)</sup> Net proceeds used for general working capital purposes are mainly payments to trade suppliers.

**5. Dividend**

**(a) Current financial period reported on**

**Any dividend declared for the current financial period reported on?**

	FY2021	
Name of Dividend	Proposed final Dividend Exempt (1-tier)	Interim Dividend Exempt (1-tier)
Type of Dividend	Cash	Cash
Total number of issued ordinary shares ('000)	214,000	14,771
Dividend per share (\$ cents)	0.70	6.80

**(b) Corresponding period of the immediately preceding financial year**

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

	FY2020
Name of Dividend	Interim Dividend Exempt (1-tier)
Type of Dividend	Cash
Total number of issued ordinary shares ('000)	14,771
Dividend per share (\$ cents)	3.50



**6. Dividend (cont'd)**

**(c) The date the dividend is payable.**

The date of payment of the proposed dividends will be announced at a later date. The final dividend proposed will be subject to shareholders' approval at the annual general meeting to be convened.

**(d) Record date**

The record date will be announced at a later date.

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

Not applicable.

**8. Breakdown of sales**

<u>Group</u>	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000	<u>Changes</u> %
Sales reported for first half year	21,118	14,641	44.2
Operating profit after tax before deducting non-controlling interests reported for first half year	<u>2,877</u>	<u>795</u>	<u>261.9</u>
Sales reported for second half year	17,388	19,894	(12.6)
Operating profit after tax before deducting non-controlling interests reported for second half year	<u>112</u>	<u>2,756</u>	<u>(95.9)</u>

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

Please refer to page 14 of this announcement for the review of the performance of the Group.

**10. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

	<u>FY2021</u> \$'000	<u>FY2020</u> \$'000
Ordinary dividend – interim	1,004	517
Ordinary dividend – final	<u>1,498</u>	<u>-</u>
	<u>2,502</u>	<u>517</u>

**11. Interested person transactions**

The Group has adopted a general mandate from shareholders of the Company for the selling of food products to Swee Heng Bakery Pte Ltd ("**Swee Heng**").

Swee Heng is an associate of the Company's Directors, Ong Bee Chip and Ong Chew Yong, and the Group's Controlling Shareholder, Ong Bee Song, being a company in which Ong Chu Eng (the sister of Ong Bee Chip, Ong Bee Song and Ong Chew Yong) holds a 50.0% shareholding interest and Ng Chai Huat (the brother-in-law of Ong Bee Chip, Ong Bee Song and Ong Chew Yong) holds a 30.0% shareholding interest. Accordingly, Swee Heng is deemed as an Interested Person.

**11. Interested person transactions (cont'd)**

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Swee Heng	Refer to description above	Nil	\$1,221,574

**12. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist rules**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.

**13. 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(10). If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ong YeKai	30	Son of Mr Ong Bee Chip	Assistant business development manager	NA
Ong Shiya	35	Daughter of Mr Ong Bee Chip	Marketing assistant manager	NA
Tan Jie Ren Jaren	35	Son-in-law of Mr Ong Bee Chip	Process engineering Manager	NA
Li Huanmin	29	Daughter of Madam Ong Chew Yong	Operation assistant manager	NA
Khor Zheng Hou	29	Son-in-law of Madam Ong Chew Yong	Facility & OHSS assistant manager	NA
Ong Bee Song	67	Brother of Mr Ong Bee Chip and Madam Ong Chew Yong	Sales director	NA



*PRESERVING TRADITIONS,  
INSPIRING GENERATIONS*

On behalf of the directors of the Company, we, the undersigned directors, do hereby confirm that, to the best of the knowledge of the directors of the Company, nothing has come to the attention of the board of directors that may render the condensed unaudited financial statements to be false or misleading in any material aspects.

**By order of the board**

**Dr. Yu Lai Boon**  
**Non-Executive Chairman and**  
**Independent Director**

**Mr. Ong Bee Chip**  
**Managing Director**

29 August 2021