



BEST WORLD INTERNATIONAL LTD

(Company Registration: 199006030Z)
Incorporated in the Republic of Singapore

Financial Statements And Related Announcement For the year ended 31 December 2020

BEST WORLD INTERNATIONAL LIMITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

TABLE OF CONTENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS	2
STATEMENTS OF FINANCIAL POSITION	4
BORROWINGS AND DEBT SECURITIES	5
CONSOLIDATED STATEMENT OF CASH FLOWS	6
STATEMENTS OF CHANGES IN EQUITY	7
SHARE CAPITAL	10
AUDIT	11
ACCOUNTING POLICIES	12
EARNINGS PER SHARE	13
NET ASSET VALUE PER SHARE	13
REVIEW OF THE PERFORMANCE OF THE GROUP	14
Overview	14
Revenue by Business Segments	15
Revenue by Geographical Locations	16
Financial Position and Cash Flow	18
COMMENTARY ON THE CURRENT PERIOD'S PROSPECTS	19
DIVIDENDS	20
ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT	22

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2020

(Amounts expressed in Singapore dollars)

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.

	Group			Group		
	3 months Ended 31.12.20 \$'000	3 months Ended 31.12.19 \$'000	Change %	12 months Ended 31.12.20 \$'000	12 months Ended 31.12.19 \$'000 (Audited)	Change %
Revenue	201,239	118,289	70.1	545,614	384,305	42.0
Cost of sales	(46,660)	(40,490)	15.2	(134,950)	(110,941)	21.6
Gross profit	154,579	77,799	98.7	410,664	273,364	50.2
<u>Other items of income</u>						
Interest income	493	425	16.0	1,455	1,632	(10.8)
Other operating income	1,477	3,340	(55.8)	3,301	4,026	(18.0)
<u>Other Items of Expense</u>						
Distribution costs	(40,143)	(18,286)	119.5	(143,149)	(87,062)	64.4
Administrative expenses	(37,168)	(21,972)	69.2	(85,865)	(68,879)	24.7
Finance costs	(11)	(269)	(95.9)	(462)	(529)	(12.7)
Other gains (other losses), net	(1,570)	(2,844)	(44.8)	2,507	(2,995)	NM
Share of results of a joint venture	279	-	NM	929	-	NM
Share of results of an associate	(54)	(33)	63.6	(240)	(210)	14.3
Profit before tax	77,882	38,160	104.1	189,140	119,347	58.5
Income tax expense	(15,395)	(10,489)	46.8	(56,782)	(29,798)	90.6
Profit for the period	62,487	27,671	125.8	132,358	89,549	47.8
Profit attributable to:						
- Owners of the parent company	62,293	27,712	124.8	132,569	89,622	47.9
- Non-controlling interests	194	(41)	NM	(211)	(73)	189.0
Profit for the period	62,487	27,671	125.8	132,358	89,549	47.8
Additional notes:						
Gross profit margin	76.8%	65.8%		75.3%	71.1%	
Net profit margin	31.0%	23.4%		24.3%	23.3%	
Earnings per share (cents)	11.45	5.09		24.36	16.42	

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Comprehensive Income for the year ended 31 December 2020:

	Group			Group		
	3 months Ended 31.12.20 \$'000	3 months Ended 31.12.19 \$'000	Change %	12 months Ended 31.12.20 \$'000	12 months Ended 31.12.19 \$'000 (Audited)	Change %
Profit for the period, net of tax	62,487	27,671	125.8	132,358	89,549	47.8
<u>Other comprehensive income</u>						
Exchange differences on translating foreign operations	(4,854)	599	NM	(205)	52	NM
Other comprehensive expense for the period, net of tax	(4,854)	599	NM	(205)	52	NM
Total comprehensive income for the period	<u>57,633</u>	<u>28,270</u>	103.9	<u>132,153</u>	<u>89,601</u>	47.5
Attributable to:						
Owners of the parent company	57,656	28,345	103.4	132,614	89,731	47.8
Non-controlling interests	(23)	(75)	(69.3)	(461)	(130)	254.6
Total comprehensive income for the period	<u>57,633</u>	<u>28,270</u>	103.9	<u>132,153</u>	<u>89,601</u>	47.5

1(a)(ii). Profit before Income tax is determined after charging (crediting):

	Group	
	12 months ended	
	31.12.20 \$'000	31.12.19 \$'000
Depreciation of property, plant and equipment	2,279	1,768
Depreciation of an investment property	18	19
Amortisation of right-of-use assets	3,479	3,404
Amortisation of intangible assets	336	310
Bad debts written off	3	-
Fair value gains on other financial assets	(521)	(652)
Fair value (gains) losses on foreign exchange derivatives	(17)	817
Inventories written down	331	1,211
Expected credit loss on trade receivables	-	67
Foreign exchange (gains) losses, net	(2,310)	1,432
Loss (gain) on disposal of property, plant and equipment	7	(275)
Other provision	-	395
Government grant income	(2,940)	(802)
Interest income	(1,455)	(1,632)
Interest expense	463	529

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

(Amounts expressed in Singapore dollars)

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.

	Group		Company	
	31.12.20	31.12.19	31.12.20	31.12.19
	\$'000	\$'000	\$'000	\$'000
		(Audited)		(Audited)
Assets				
Non-current assets				
Property, plant and equipment	30,956	21,728	3,293	4,220
Investment property	1,109	1,127	-	-
Right-of-use assets	9,619	13,219	3,598	5,040
Intangible assets	1,150	1,198	39	18
Other intangible assets	7,744	7,975	-	-
Investment in subsidiaries	-	-	73,485	33,794
Investment in an associate	5,175	5,415	-	-
Investment in a joint venture	25,691	-	-	-
Deferred tax assets	25,953	13,662	-	-
Other financial assets	791	535	791	535
Cash and cash equivalents	-	1,000	-	-
Total non-current assets	108,188	65,859	81,206	43,607
Current assets				
Inventories	102,365	103,695	27,952	56,984
Trade and other receivables	3,889	14,941	124,621	54,603
Other assets	17,394	20,188	8,712	9,360
Other financial assets	12,634	12,848	12,634	12,848
Cash and cash equivalents	334,032	240,071	175,104	102,873
Total current assets	470,314	391,743	349,023	236,668
Total assets	578,502	457,602	430,229	280,275
Equity and liabilities				
Current liabilities				
Income tax payable	36,673	18,406	21,746	12,730
Trade and other payables	173,964	137,627	70,520	56,617
Contract liabilities	6,828	44,609	-	-
Other financial liabilities	800	817	800	817
Lease liabilities	3,942	3,894	1,257	1,235
Other liabilities	1,306	1,302	1,082	1,082
Total current liabilities	223,513	206,655	95,405	72,481
Net current assets	246,801	185,088	253,618	164,187
Non-current liabilities				
Deferred tax liabilities	7,850	5,441	4,900	2,572
Lease liabilities	5,533	8,848	2,086	3,351
Total non-current liabilities	13,383	14,289	6,986	5,923
Total liabilities	236,896	220,944	102,391	78,404
Net assets	341,606	236,658	327,838	201,871
Equity, attributable to owner of the company				
Share capital	10,027	10,027	10,027	10,027
Retained earnings	328,641	223,277	317,489	191,522
Other reserves	5,322	5,277	322	322
	343,990	238,581	327,838	201,871
Non-controlling interests	(2,384)	(1,923)	-	-
Total equity	341,606	236,658	327,838	201,871
Total equity and liabilities	578,502	457,602	430,229	280,275

BORROWINGS AND DEBT SECURITIES

(Amounts expressed in Singapore dollars)

1(b). (ii) Aggregate amount of Group's borrowings and debt securities.

Amount Repayable in One Year or less, or on Demand

As at 31.12.20		As at 31.12.19	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
-	-	-	-

Amount repayable after one year

As at 31.12.20		As at 31.12.19	
Secured (\$'000)	Unsecured (\$'000)	Secured (\$'000)	Unsecured (\$'000)
-	-	-	-

Details of any collateral

Certain leasehold properties of subsidiaries at carrying value of \$397,000 as at 31 December 2020 (31 December 2019: \$403,000), a non-current other intangible asset of a subsidiary at carrying value of \$Nil as at 31 December 2020 (31 December 2019: \$7,975,000), an investment property of a subsidiary at carrying value of \$1,109,000 as at 31 December 2020 (31 December 2019: \$1,127,000), other financial assets of the company at carrying value of \$2,212,000 as at 31 December 2020 (31 December 2019: \$2,186,000) are mortgaged to banks to secure bank facilities granted by the banks.

Certain fixed deposits of the group are pledged to banks for facilities granted. See 1(c) for pledged details.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

(Amounts expressed in Singapore dollars)

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.

	Group		Group	
	3 Months Ended 31.12.20 \$'000	3 Months Ended 31.12.19 \$'000	12 Months Ended 31.12.20 \$'000	12 Months Ended 31.12.19 \$'000
Cash flows from operating activities:				
Profit before tax	77,882	38,160	189,140	119,347
Interest income	(493)	(425)	(1,455)	(1,632)
Interest expenses	11	269	462	529
Depreciation of property, plant and equipment	942	336	2,279	1,768
Amortisation of right-of-use assets	470	618	3,479	3,404
Depreciation of an investment property	4	5	18	19
Amortisation of intangible assets	83	(263)	336	310
Loss (Gain) on disposal of property, plant and equipment	7	27	7	(275)
Share of results of a joint venture	(279)	-	(929)	-
Share of results of an associate	54	33	240	210
Inventory written down	331	1,211	331	1,211
Fair value gains (losses) on foreign exchange derivatives	60	817	(17)	817
Fair value gains on other financial assets	(160)	(154)	(521)	(652)
Unrealised exchange (gains) losses	(4,538)	1,089	(369)	(784)
Operating cash flows before changes in working capital	<u>74,374</u>	<u>41,723</u>	<u>193,001</u>	<u>124,272</u>
Inventories	14,445	(37,162)	999	(71,938)
Trade and other receivables	11,668	(6,879)	11,594	(9,756)
Other assets	3,862	1,815	2,794	(5,788)
Trade and other payables	38,428	32,027	35,243	61,948
Contract liabilities	(37,781)	27,948	(37,781)	27,948
Deferred grant income	481	-	-	-
Cash flows from operations	<u>105,477</u>	<u>59,472</u>	<u>205,850</u>	<u>126,686</u>
Income tax paid	(9,454)	(13,496)	(47,569)	(38,988)
Net cash flows from operating activities	<u>96,023</u>	<u>45,976</u>	<u>158,281</u>	<u>87,698</u>
Cash flows from investing activities:				
Acquisition of an associate	-	-	-	(5,625)
Acquisition of a joint venture	-	-	(24,762)	-
Purchase of property, plant and equipment	(4,959)	(11,008)	(11,424)	(16,512)
Proceeds from disposal of property, plant and equipment	-	(122)	-	322
Purchase of intangible assets	(28)	(19)	(57)	(30)
Purchase of other financial assets	(10)	(2,482)	(318)	(2,506)
Proceeds from disposal of other financial assets	-	274	560	274
Interest received	493	425	1,455	1,632
Net cash flows used in investing activities	<u>(4,504)</u>	<u>(12,932)</u>	<u>(34,546)</u>	<u>(22,445)</u>
Cash flows from financing activities:				
Dividends paid on ordinary shares	-	-	(27,205)	(6,529)
Purchase of treasury shares	-	-	-	(8,581)
Repayment of bank borrowings	-	-	-	(2,049)
Payment of lease liabilities	246	(913)	(3,596)	(3,551)
Interest paid	-	236	(1)	(24)
(Increase) decrease in cash restricted in use	151	3,628	(16)	3,717
Net cash flows used in financing activities	<u>397</u>	<u>2,951</u>	<u>(30,818)</u>	<u>(17,017)</u>
Net increase in cash and cash equivalents	91,916	35,995	92,917	48,236
Effects of exchange rate changes on cash and cash equivalents	(1,047)	(537)	28	(572)
Cash and cash equivalents, statement of cash flows, beginning balance	<u>237,492</u>	<u>199,958</u>	<u>235,416</u>	<u>187,752</u>
Cash and cash equivalents, statement of cash flows, ending balance Note A	<u>328,361</u>	<u>235,416</u>	<u>328,361</u>	<u>235,416</u>
Note A :				
	Group	Group	Group	Group
	3 Months Ended 31.12.20 \$'000	3 Months Ended 31.12.19 \$'000	12 Months Ended 31.12.20 \$'000	12 Months Ended 31.12.19 \$'000
Cash and bank balances	334,032	241,071	334,032	241,071
Less: Cash pledged and cash restricted in use	(5,671)	(5,655)	(5,671)	(5,655)
Cash and cash equivalents in the consolidated cash flow statement	<u>328,361</u>	<u>235,416</u>	<u>328,361</u>	<u>235,416</u>

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

(Amounts expressed in Singapore dollars)

1(d). (i) A statement (for the Group and company) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to owners of the parent company									
	Total equity	Total	Share capital	Treasury shares	Retained earnings	Foreign currency translation reserve	Statutory reserves	Share-based compensation reserves	Other reserves	Non-controlling interests
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Group										
Balance at 1 January 2020	236,658	238,581	20,618	(10,591)	223,277	(75)	6,139	322	(1,109)	(1,923)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	14,176	14,393	-	-	13,280	1,113	-	-	-	(217)
Balance at 31 March 2020	250,834	252,974	20,618	(10,591)	236,557	1,038	6,139	322	(1,109)	(2,140)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	28,615	28,623	-	-	28,766	(143)	-	-	-	(8)
Balance at 30 June 2020	279,449	281,597	20,618	(10,591)	265,323	895	6,139	322	(1,109)	(2,148)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	31,729	31,942	-	-	28,230	3,712	-	-	-	(213)
Dividends	(27,205)	(27,205)	-	-	(27,205)	-	-	-	-	-
Balance at 30 September 2020	283,973	286,334	20,618	(10,591)	266,348	4,607	6,139	322	(1,109)	(2,361)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	57,633	57,656	-	-	62,293	(4,637)	-	-	-	(23)
Balance at 31 December 2020	341,606	343,990	20,618	(10,591)	328,641	(30)	6,139	322	(1,109)	(2,384)

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

(Amounts expressed in Singapore dollars)

	Attributable to owners of the parent company									
	Total equity	Total	Share capital	Treasury shares	Retained earnings	Foreign currency translation reserve	Statutory reserves	Share-based compensation reserves	Other reserves	Non-controlling interests
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 1 January 2019	162,145	165,111	20,618	(2,010)	140,676	(184)	5,647	322	42	(2,966)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	10,591	10,598	-	-	10,329	269	-	-	-	(7)
Balance at 31 March 2019	172,736	175,709	20,618	(2,010)	151,005	85	5,647	322	42	(2,973)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	25,945	26,001	-	-	26,745	(744)	-	-	-	(56)
Share buy back - held as treasury shares	(8,581)	(8,581)	-	(8,581)	-	-	-	-	-	-
Balance at 30 June 2019	190,100	193,129	20,618	(10,591)	177,750	(659)	5,647	322	42	(3,029)
<u>Movements in equity</u>										
Total comprehensive income (expense) for the period	24,795	24,787	-	-	24,836	(49)	-	-	-	8
Dividends	(6,529)	(6,529)	-	-	(6,529)	-	-	-	-	-
Balance at 30 September 2019	208,366	211,387	20,618	(10,591)	196,057	(708)	5,647	322	42	(3,021)
<u>Movements in equity</u>										
Transfer of statutory reserve to retained earnings	-	-	-	-	(492)	-	492	-	-	-
Total comprehensive income (expense) for the period	28,270	28,345	-	-	27,712	633	-	-	-	(75)
Restructuring exercise	22	(1,151)	-	-	-	-	-	(1,151)	-	1,173
Balance at 31 December 2019	<u>236,658</u>	<u>238,581</u>	<u>20,618</u>	<u>(10,591)</u>	<u>223,277</u>	<u>(75)</u>	<u>6,139</u>	<u>(829)</u>	<u>42</u>	<u>(1,923)</u>

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

(Amounts expressed in Singapore dollars)

Company	Attributable to owners of the parent company				Share-based compensation reserves
	Total equity	Share capital	Treasury shares	Retained earnings	
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2020	201,871	20,618	(10,591)	191,522	322
<u>Movements in equity</u>					
Total comprehensive income for the period	30,746	-	-	30,746	-
Balance as at 31 March 2020	232,617	20,618	(10,591)	222,268	322
<u>Movements in equity</u>					
Total comprehensive income for the period	22,302	-	-	22,302	-
Balance as at 30 June 2020	254,919	20,618	(10,591)	244,570	322
<u>Movements in equity</u>					
Total comprehensive income for the period	58,963	-	-	58,963	-
Dividend	(27,205)	-	-	(27,205)	-
Balance as at 30 September 2020	286,677	20,618	(10,591)	276,328	322
<u>Movements in equity</u>					
Total comprehensive income for the period	41,161	-	-	41,161	-
Balance as at 31 December 2020	327,838	20,618	(10,591)	317,489	322
Balance at 1 January 2019	133,122	20,618	(2,010)	114,192	322
<u>Movements in equity</u>					
Total comprehensive income for the period	12,418	-	-	12,418	-
Balance as at 31 March 2019	145,540	20,618	(2,010)	126,610	322
<u>Movements in equity</u>					
Total comprehensive income for the period	4,881	-	-	4,881	-
Share buy back - held as treasury shares	(8,581)	-	(8,581)	-	-
Balance as at 30 June 2019	141,840	20,618	(10,591)	131,491	322
<u>Movements in equity</u>					
Total comprehensive income for the period	19,142	-	-	19,142	-
Dividend	(6,529)	-	-	(6,529)	-
Balance as at 30 September 2019	154,453	20,618	(10,591)	144,104	322
<u>Movements in equity</u>					
Total comprehensive income for the period	47,418	-	-	47,418	-
Balance as at 31 December 2019	201,871	20,618	(10,591)	191,522	322

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 s

(Amounts expressed in Singapore dollars)

SHARE CAPITAL

- 1(d). (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

(a) Share Capital

	Group and Company		Group and Company	
	Issued ordinary shares		Issued and fully paid up capital	
	No. of shares		\$'000	
	2020	2019	2020	2019
At 1 January, 31 March and 30 June	544,100,114	549,395,114	10,027	18,608
Share buy back – held as Treasury Shares	-	(5,295,000)	-	(8,581)
At 30 September and 31 December	<u>544,100,114</u>	<u>544,100,114</u>	<u>10,027</u>	<u>10,027</u>

(b) Treasury Shares

	Group and Company		Group and Company	
	No. of shares		\$'000	
	2020	2019	2020	2019
At 1 January, 31 March and 30 June	10,291,900	4,996,900	10,591	2,010
Share buy back – held as Treasury Shares	-	5,295,000	-	8,581
At 30 September and 31 December	<u>10,291,900</u>	<u>10,291,900</u>	<u>10,591</u>	<u>10,591</u>

For the three months ended 31 December 2020 and 30 December 2019, the company did not purchase its ordinary shares to be held as treasury shares.

- (iii) **To show the total 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 total number of issued ordinary shares excluding treasury shares as at 31 December 2020 and 31 December 2019 was 544,100,114.

The total number of treasury shares as at 31 December 2020 and 31 December 2019 was 10,291,900.

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

Not Applicable.

AUDIT

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

The figures have not been audited, or reviewed by auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 3A. **Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—**

- (a) **Updates on the efforts taken to resolve each outstanding audit issue.**

The auditors have issued a disclaimer opinion on the Group's financial statements for the financial year ended 31 December 2019 due to the following reasons and updates on the efforts to resolve each audit issue as follows :

- (i) Potential unrecorded transactions

As previously referred to Note 2.1 of the FY2019 annual report, transitional arrangements ceased on 30 June 2019 with the implementation of payment gateway solutions managed by third party promotion companies to assist franchisees with the payments of commissions to their sale representatives. From July 2019 onwards, franchisees paid 100% of the recommended retail price based on tax invoices issued and marketing fees paid through promotion companies of approximately 20% of the recommended retail price (which represent the previous trade rebates) were recorded as expenses, and net against revenue.

The issue is considered historical as it had been resolved with the completion of the transitional arrangements related to the Group's transition from the Export Model to the Franchisee Model from June 2018 to June 2019 and will not impact FY2020.

- (ii) Relationship with the Group's import agents and marketing agent

Management considers this a historical issue after the transition period into the Franchisee model in 2019 and will not affect the FY2020 accounts.

(iii) Goods sold but undelivered in the previous financial year

There were no revenue cut off issues relating to goods sold but undelivered in the financial year ended 31 December 2019, hence opening balances for FY2020 are not an issue for the external auditor.

(iv) Legal review

The Board will continue to engage legal advisors to assist to eventually transition to a full direct selling model in China, which will involve the expansion of the coverage of its existing direct selling license. This will further mitigate the risks of operating in China.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.

The Board confirms that the impact of the disclaimer of opinion on the recent FY2019 financial statements has been adequately disclosed in the FY2019 annual report.

ACCOUNTING POLICIES

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

The Group has applied the same accounting policies and methods of computation which are consistent with those used in the most recent audited financial statements for the financial year ended 31 December 2019, as well as applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") which became effective for financial years beginning on or after 1 January 2020.

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.

There was no change in the accounting policies and methods of computation for the current financial period reported on, except the amendments to SFRS(I) 16 on COVID-19 related rent concessions where rental rebates were recognised directly in P&L as other income.

EARNINGS PER SHARE

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					
	3 months ended 31.12.20	3 months ended 31.12.19	Change %	12 months ended 31.12.20	12 months ended 31.12.19	Change %
Earnings per share of Group:						
(a) Based on weighted average number of ordinary shares on issue (cts); and	11.45	5.09	125.0	24.36	16.42	48.4
(b) On a fully diluted basis (cts)	11.45	5.09	125.0	24.36	16.42	48.4

For comparative purposes, the earnings per ordinary shares for the three months ended 31 December 2020 and 31 December 2019 are calculated based on the profit for the period of approximately \$62.3 million and \$27.7 million respectively. The earnings per ordinary shares for the 12 months ended 31 December 2020 and 31 December 2019 are calculated based on the profit for the period of approximately \$132.6 million and \$89.6 million respectively.

The weighted average number of ordinary shares (excluding treasury shares) for the three months ended 31 December 2020 and 31 December 2019 is 544,100,114. The weighted average number of ordinary shares (excluding treasury shares) for the year ended 31 December 2020 is 544,100,114 (for the year ended 31 December 2019: 545,939,718).

NET ASSET VALUE PER SHARE

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	
	31.12.20	31.12.19	31.12.20	31.12.19
Net asset value per ordinary shares (cents)	63.22	43.85	60.25	37.10

Note: The number of ordinary shares of the Group and Company (excluding treasury shares) as at 31 December 2020 and 31 December 2019 was 544,100,114.

REVIEW OF THE PERFORMANCE OF THE GROUP

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.**

Overview

The Group recorded a total revenue of \$545.6 million for FY2020, representing an increase of \$161.3 million or 42.0% when compared to FY2019, mainly due to growth from both our Direct Selling and Franchise segments.

Alongside a growth in the Group's revenue, cost of sales increased by 15.2% to \$46.7 million in 4Q2020 and 21.6% to \$135.0 million for FY2020. The lower growth in cost of sales compared to the revenue growth was mainly due to the temporary preferential rates in custom duties enjoyed by our China subsidiary as reported in our previous announcement. This contributed to an improvement of the Group's gross profit margin from 65.8% in 4Q2019 to 76.8% in 4Q2020. For the 12 months period, gross profit margin was 75.3% in FY2020, compared to 71.1% in FY2019.

Profit attributable to owners of the parent company increased to \$62.3 million in 4Q2020 and \$132.6 million for FY2020 respectively, mainly due to the following factors:

- Lower interest rates offered for the Group's fixed deposits saw interest income reduced by \$0.1 million in FY2020 when compared to FY2019;
- Other operating income of \$1.5 million in 4Q2020 relates mainly to certain government grants received during the quarter;
- With reference to the Company's recent material difference announcement on 11 February 2021, consulting service fees paid relating to Franchise Segment were net off against revenue in accordance with the requirements of SFRS(I)15. As such distribution costs comprise mainly freelance commissions, annual convention and event expenses. In line with the increase of the Group's revenue, distribution costs increased to \$40.1 million for 4Q2020 and \$143.1 million for FY2020 mainly due to increase in freelance commissions of the Direct Selling segment and higher event expenses from our Franchise segment which were mainly held in the month of November;
- Administrative expenses were higher at \$37.2 million in 4Q2020 when compared to same period last year due to higher management and staff costs and professional fees. For FY2020, the Group's administrative expenses increased from \$68.9 million in FY2019 to \$85.9 million in FY2020 mainly attributable to increase in management and staff costs;
- With the adoption of SFRS(I)16, finance costs recorded was \$11,000 in 4Q2020 and \$0.3 million in 4Q2019. Overall, finance costs were maintained at \$0.5 million in FY2020;
- Net other losses of \$1.6 million in 4Q2020 was mainly due to net foreign exchange losses on revaluation of the Group's assets denominated in United States Dollar. Net other gains of \$2.5 million in FY2020 was mainly due to net foreign exchange gains due to stronger

New Taiwan Dollar and Chinese Yuan against Singapore Dollar during the year as well as fair value gains on other financial assets;

- Share of results of a joint venture increased to \$0.3 million in 4Q2020 and \$0.9 million in FY2020 mainly due to acquisition of the Group's United Kingdom ("UK") joint venture Pedal Pulses Limited, which was completed in April 2020; and
- Share of losses for our associate, Celligenics was \$54,000 in 4Q2020 and \$0.2 million in FY2020.

As a result of higher profit before tax, the Group incurred higher income tax expense of \$15.4 million for 4Q2020 and \$56.8 million for FY2020. Due to the higher corporate income tax rate of certain profitable subsidiaries and withholding tax expenses in relation to distributable profits from certain subsidiaries, the Group's effective tax rate rose to 30.0% in FY2020 from 25.0% in FY2019.

Revenue by Business Segments

For Quarter: 4Q2020 Vs 4Q2019

Business Segment	3 months ended 31.12.20 Revenue		3 months ended 31.12.19 Revenue		Change
	\$'000	%	\$'000	%	%
Direct Selling	99,181	49.3	58,722	49.6	68.9
Export	32	0.0	29	0.0	10.3
Manufacturing/Wholesale	468	0.2	535	0.5	(12.5)
Franchise	101,558	50.5	59,003	49.9	72.1
Total	201,239	100.0	118,289	100.0	70.1

For the year ended: 2020 Vs 2019

Business Segment	12 months ended 31.12.20 Revenue		12 months ended 31.12.19 Revenue		Change
	\$'000	%	\$'000	%	%
Direct Selling	270,190	49.5	148,213	38.6	82.3
Export	147	0.0	431	0.1	(65.9)
Manufacturing/Wholesale	1,672	0.3	2,421	0.6	(30.9)
Franchise	273,605	50.2	233,240	60.7	17.3
Total	545,614	100.0	384,305	100.0	42.0

For the reporting quarter and FY2020, distribution through direct selling and franchise contribute almost in equal weightage to the Group's revenue. This is mainly due to a slower growth rate for China market as a result of the disruptions caused by the Covid-19 lockdowns. Fortunately, China's slower growth was offset by the revenue surge in the Group's key direct selling markets.

The surge in demand was in large part due to the phenomenon that people are spending more time on social media and buying more from online shopping platform during the periods of lockdown and working from home. Our proprietary online shopping platform and app were able to take advantage of the phenomenon and coupled with the immediate migration of distributors'

training activities to the online platform immediately during the lockdown period, the Group's direct selling business was able to adapt quickly during the period of big disruption. This is evident in the performance of the Group's key markets of Singapore and Malaysia of which revenue increased from \$58.7 million in 4Q2019 to \$99.2 million in 4Q2020. For FY2020, Direct Selling revenue increased by 82.3% to \$270.2 million compared to FY2019.

As at 31 December 2020, the Group has 154,431 members for its direct selling business, representing a 5.7% increase when compared to 3Q2020.

With reference to note 1 of our recent material difference announcement on 11 February 2021 and in accordance with the requirements of SFRS(I)15, net revenue for 4Q2019 was subject to a downward adjustment of \$26.3 million for goods sold but yet to be delivered by our third-party logistics service provider as at 31 December 2019. As a result of the above adjustment, revenue in 4Q2020 from Franchise segment increased by 72.1% or \$42.6 million vis-à-vis the same period last year.

As at 31 December 2020, our China subsidiary has 39 franchisees located in twelve provinces and one municipality in mainland China.

Revenue by Geographical Locations

For Quarter: 4Q2020 Vs 4Q2019

Geographical Locations	3 months ended 31.12.20 Revenue		3 months ended 31.12.19 Revenue		Change %
	\$'000	%	\$'000	%	
Singapore	9,858	4.8	1,592	1.3	519.2
China	102,026	50.7	59,538	50.4	71.4
Taiwan	65,606	32.7	47,689	40.3	37.6
Indonesia	2,175	1.1	2,026	1.7	7.4
Malaysia	13,540	6.7	2,157	1.8	527.7
Hong Kong	4,277	2.1	3,073	2.6	39.2
Others	3,757	1.9	2,214	1.9	69.7
Total	201,239	100.0	118,289	100.0	70.1

For the year ended: 2020 Vs 2019

Geographical Locations	12 months ended 31.12.20 Revenue		12 months ended 31.12.19 Revenue		Change %
	\$'000	%	\$'000	%	
Singapore	27,504	5.0	8,764	2.3	213.3
China	275,277	50.5	235,661	61.3	16.8
Taiwan	166,807	30.6	110,816	28.8	50.5
Indonesia	5,844	1.0	10,453	2.7	(44.1)
Malaysia	45,239	8.3	4,297	1.1	952.8
Hong Kong	14,381	2.6	9,449	2.5	52.2
Others	10,612	2.0	4,865	1.3	118.1
Total	545,614	100.0	384,305	100.0	42.0

Singapore

In line with our announcement from the previous quarter, revenue from Singapore increased by 519.2% in 4Q2020, mainly attributable to productive marketing effort by new and current full-time distributors, supported by well received year-end promotional activities. For the 12 months of FY2020, revenue grew by 213.3% or \$18.7 million when compared to FY2019. This is mainly due to the complete integration of new customer generation, customer retention, shopping distributors' development on our online platform. In addition, highly motivated distributors and the entry of highly productive new generation of distributors also attribute to the strong performance of the Singapore market.

China

Due to the reasons mentioned in the Franchise segment above, revenue from China increased from \$59.5 million in 4Q2019 to \$102.0 million in 4Q2020.

Additionally, despite the ongoing pandemic situation in China that led to postponement of all large-scale events except for the month of November where travel restrictions were eased slightly before tightening in December, China management are able to keep their growth momentum by driving market demand through franchisees' sales activities and online efforts, to promote brand visibility and engage with customers through digital contents on company's official social media platforms such as WeChat and Red (XiaoHongShu). As a result, revenue from China increased by \$39.6 million in FY2020 when compared to FY2019.

Taiwan

In line with previous quarter announcement, revenue from Taiwan for 4Q2020 increased by 37.6%, or \$17.9 million when compared to 4Q2019. Their performance is mainly attributable to positive response from events such as 14th Anniversary Special Promotions and a successful new product launch event held in December. Overall, revenue from Taiwan increased by 50.5% in FY2020 due to well-trained distributors implementing online to offline (O2O) interactions effectively as well as successful marketing campaigns held throughout the year.

Indonesia

Revenue from Indonesia increased by 7.4% to \$2.2 million in 4Q2020 when compared to 4Q2019 as the market experienced increasing demand for DR's Secret which resulted in sales momentum starting to gain traction. However, as a result of the loss of certain active distributors in 1Q2020, ongoing pandemic situation which weakened consumer demand and rampant online discounting in Indonesia, consumers' confidence had been unfavourably impacted. For FY2020, revenue from Indonesia decreased by 44.1% to \$5.8 million when compared to FY2019.

Malaysia

Despite limited inter-district and inter-state travels in 4Q2020, our Malaysia market was able to maintain its growth momentum mainly due to effective market driving activities by our young and dynamic distributors and the implementation of effective online strategies for sales follow-ups and trainings. As a result, revenue from Malaysia in 4Q2020 increased by 527.7% to \$13.5 million when compared to the same period last year. Coupled with successful marketing events held in 3Q2020, revenue from Malaysia in FY2020 increased significantly by 952.8% to \$45.2 million vis-à-vis the same period last year.

Hong Kong

In line with previous quarters announcement, customers' willingness to engage in promoting DR's Secret due to economic uncertainty and their recognition of the opportunities behind the growing demand of our skincare brand were the key drivers for revenue growth in Hong Kong from \$3.1 million in 4Q2019 to \$4.3 million in 4Q2020. For FY2020, revenue from Hong Kong increased by 52.2% to \$14.4 million.

Others

Revenue from other markets increased by 69.7% in 4Q2020 when compared to 4Q2019 mainly attributable to growth from new online markets such as Australia, New Zealand and United States offsetting decline from markets of Thailand, Philippines, Vietnam and Korea. As a result, revenue from other markets in FY2020 increased by 118.1% to \$10.6 million.

Financial Position and Cash Flow

Non-current assets of the Group increased from \$65.9 million as at 31 December 2019 to \$108.2 million as at 31 December 2020, mainly attributable to increase of Property, Plant and Equipment in relation to construction in progress for our Tuas facility, deferred tax assets due to unrealised profits on inventories and our UK joint venture of Pedal Pulses Limited offsetting decrease in right-of-use assets. As at 31 December 2020, the Company is in the process of finalising the purchase price allocation exercise and identifying the fair value of the identifiable assets, liabilities and contingent liabilities at date of acquisition of Pedal Pulses Limited.

Inventories were maintained at \$102.3 million as at 31 December 2020 vis-à-vis 31 December 2019 as the Group is currently operating at a sufficient inventory level to sustain growth moving forward.

Due to the corresponding downward revenue adjustments as explained in Franchise segment above, higher VAT receivables from Hunan Branch of our China subsidiary were recorded as at 31 December 2019. As a result, trade and other receivables decreased to \$3.9 million as at 31 December 2020.

Other assets decreased from \$20.2 million as at 31 December 2019 to \$17.4 million as at 31 December 2020 mainly due to lower prepayments as a result of postponement of our international convention event due to Covid-19 offsetting increase in prepaid commission and tour expenses from our Taiwan subsidiary.

Income Tax Payable increased from \$18.4 million as at 31 December 2019 to \$36.7 million as at 31 December 2020 due to additional tax provisions from our profitable subsidiaries.

Trade and other payables increased from \$137.6 million as at 31 December 2019 to \$174.0 million as at 31 December 2020 mainly due to higher accruals made for commissions, management and staff incentives, convention expenses to be held in 2021 offsetting lower sales related expenses from Franchise segment for the month of December 2020.

With reference to our recent material difference announcement made on 11 February 2021, contract liabilities of \$44.6 million as at 31 December 2019 was much higher as compared to \$6.8 million as at 31 December 2020 mainly due to adjustments for goods sold but undelivered as at 31 December 2019.

Other financial liabilities were maintained at \$0.8 million as at 31 December 2020 mainly relates to fair value losses on forward exchange derivatives.

Total lease liabilities decreased from \$12.7 million as at 31 December 2019 to \$9.5 million as at 31 December 2020 mainly due to payment of lease liabilities.

Other liabilities were maintained at \$1.3 million as at 31 December 2020 vis-à-vis 31 December 2019.

In FY2020, net cash flows from operating activities of \$158.3 million was mainly attributable to the Group's net profit before tax of \$189.1 million, changes in working capital as a result of higher trade and other payables, lower trade and other receivables, offsetting lower contract liabilities as well as income tax paid during the year. Net cash flow used in investing activities of \$34.6 million was mainly due to the investment in Pedal Pulses Limited acquired in April 2020 and purchase of property, plant and equipment in relation to our Tuas facility. Net cash flow of \$30.8 million was used in financing activities was mainly due to the dividends paid in 3Q2020.

As at 31 December 2020, the Group maintained approximately \$334.0 million in cash and cash equivalents.

COMMENTARY ON THE CURRENT PERIOD'S PROSPECTS

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

The results are in line with section 10 of the last quarter's results announcement.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

While the Covid-19 vaccine are now available in certain markets for certain groups of people, most of the markets the Group operate in is still in some form of lockdown and are quite far from normalcy. The Group does not expect its marketing strategy to be tuned up as a result and most activities will still be limited to be on the online space. In view of these dynamics, we remain cautious about the Group's outlook for the next 12 months. Barring unforeseen circumstances, factors that may affect the Group's performance in the next reporting period and for the next 12 months are as follows:

- The preferential custom duty rates that our China subsidiary is subject to is a temporary measure. Although it is ongoing, our China management is cautious about this benefit as it may be removed by the customs authorities (General Administration of Customs People's Republic of China) for any reasons they deem fit;
- We expect some challenges in the upcoming months as we foresee multiple delays in terms of shipments from our vendors and also delays in our shipments to our subsidiaries. To some extent this might result in inventory shortages, indirectly causing loss of revenue;
- As a result of the above shipment delays and severe travel restrictions, the Site Acceptance Testing (SAT) of the machines related to the Group's Tuas manufacturing facility may be subject to further delays. Such delays will have a negative financial impact to the Group;
- From time to time, services of various professionals are required to, amongst other reasons, identify and assess M&A and corporate development opportunities relevant to

the Group's business, and ensure the Group's operations adhere to all relevant local regulations in the jurisdictions it operates in. The Group will still incur professional fees related to works performed towards the lifting of trade suspension by SGX;

- Higher administrative expenses due to an increase in management and staff in HQ and certain subsidiaries, expenses in relation to the construction of the Group's Tuas manufacturing facilities and the relocation/refurbishment of certain Regional Centres; and
- Fluctuations of currencies in key markets which the Group operates in against the Singapore Dollar, may affect the Group's performance either positively or negatively. Meanwhile, management actively undertakes measures to mitigate such potential risks.

Other ongoing factors that may affect the Group's performance include timeline for product license registration and renewal in key markets, natural disasters, unanticipated regulatory changes in key markets we operate in and disruptions from competitors and disgruntled customers.

DIVIDENDS

11. (a) (i) Current Financial Period Reported On

None

(ii) Corresponding Period of the immediately Preceding Financial Year

None

(b) Date payable for dividend

Not applicable

(c) Book closure date for dividend

Not applicable

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

No dividends have been declared/recommended by the Board for the financial period ended 31 December 2020 as the Board has opted to conserve cash in the face of the Group's current circumstances and uncertain business climate, taking into consideration short and medium commitments. The Board will review the Group's dividend policy at a more appropriate juncture.

13. If the Group has obtained a general mandate from shareholders for IPTs, 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 Group did not obtain a general mandate from shareholders for Interested Person Transactions.

Interested Person Transactions

Name of Interested Person	For the year ended 31 December 2020	
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920
	\$'000	\$'000
Pek Lu Pin ⁽¹⁾		
- Sales	13	NA
- Freelance commission paid	122	NA
- Marketing fee paid	215	NA
Pek Jia Rong ⁽¹⁾		
- Sales	40	NA
- Freelance commission paid	94	NA
Pek Jia Xuan ⁽¹⁾		
- Sales	42	NA
- Freelance commission paid	74	NA
Tan Geok Fong Felicia ⁽²⁾		
- Sales	58	NA
- Freelance commission paid	42	NA
- Marketing fee paid	116	NA
Huan Beng Choon ⁽³⁾		
- Sales	12	NA
- Freelance commission paid	150	NA
Chiang Cheng Ling (Zhang Zhenglin) ⁽⁴⁾		
- Sales	14	NA
- Freelance commission paid	116	NA

Note (1): Daughter of Doreen Tan Nee Moi

Note (2): Sister of Doreen Tan Nee Moi

Note (3): Brother of Dora Hoan Beng Mui

Note (4): Daughter-in-law of Doreen Tan Nee Moi

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual

Best World International Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediate preceding year.

Business Segments

2020

Group

	<u>Direct selling</u> \$ '000	<u>Export</u> \$ '000	<u>Franchise</u> \$ '000	<u>Manufac- turing/ Wholesale</u> \$ '000	<u>Others</u> \$ '000	<u>Un- allocated</u> \$ '000	<u>Total</u> \$ '000
External sales and services	270,190	147	273,605	1,672	-	-	545,614
Recurring EBITDA	78,657	67	117,768	(1,695)	(1,227)	-	193,570
Interest income	251	-	1,003	185	16	-	1,455
Interest expense	(234)	-	(173)	-	(55)	-	(462)
Depreciation	(3,054)	-	(2,535)	(33)	(136)	(18)	(5,776)
Amortisation	(13)	-	(3)	(89)	(231)	-	(336)
Share of results of a joint venture	-	-	-	-	929	-	929
Share of results of an associate	-	-	-	-	(240)	-	(240)
Profit (Loss) before tax from continuing operations	75,607	67	116,060	(1,632)	(944)	(18)	189,140
Income tax expense							(56,782)
Profit from continuing operations							132,358
<u>Other segment items</u>							
Additions to property, plant and equipment	785	1	635	2	10,001	-	11,424
Additions to intangible assets	9	-	17	-	-	-	26
<u>Assets and liabilities</u>							
Total assets for reportable segments	172,695	107	266,256	9,040	30,617	-	478,715
Unallocated:							
Investment in an associate	-	-	-	-	-	5,175	5,175
Investment in a joint venture	-	-	-	-	-	25,691	25,691
Deferred tax assets	-	-	-	-	-	25,953	25,953
Other intangible assets	-	-	-	-	-	7,744	7,744
Investment property	-	-	-	-	-	1,109	1,109
Other financial assets	-	-	-	-	-	13,425	13,425
Other assets	-	-	-	-	-	17,394	17,394
Other unallocated amounts	-	-	-	-	-	3,296	3,296
Total group assets	172,695	107	266,256	9,040	30,617	99,787	578,502
Total liabilities for reportable segments	(87,450)	(38)	(100,120)	-	(3,965)	-	(191,573)
Unallocated:							
Other financial liabilities	-	-	-	-	-	(800)	(800)
Deferred tax liabilities	-	-	-	-	-	(7,850)	(7,850)
Income tax payable	-	-	-	-	-	(36,673)	(36,673)
Total group liabilities	(87,450)	(38)	(100,120)	-	(3,965)	(45,323)	(236,896)

Business Segments

2019

Group

	<u>Direct selling</u> \$ '000	<u>Export</u> \$ '000	<u>Franchise</u> \$ '000	<u>Manufac- turing/ Wholesale</u> \$ '000	<u>Others</u> \$ '000	<u>Un- allocated</u> \$ '000	<u>Total</u> \$ '000
External sales and services	148,213	431	233,240	2,421	-	-	384,305
Recurring EBITDA	41,287	182	85,055	(2,512)	(57)	-	123,955
Interest income	303	1	1,188	138	2	-	1,632
Interest expense	(335)	-	(115)	-	(79)	-	(529)
Depreciation	(3,534)	(2)	(1,590)	-	(65)	-	(5,191)
Amortisation	(13)	-	(2)	(64)	(231)	-	(310)
Share of results of an associate	-	-	-	-	(210)	-	(210)
Profit (Loss) before tax from continuing operations	37,708	181	84,536	(2,438)	(640)	-	119,347
Income tax expense							(29,798)
Profit from continuing operations							89,549
<u>Other segment items</u>							
Additions to property, plant and equipment	2,133	6	2,046	33	12,714	-	16,932
Additions to intangible assets	18	-	12	-	-	-	30
<u>Assets and liabilities</u>							
Total assets for reportable segments	95,986	354	265,671	10,430	17,627	-	390,068
Unallocated:							
Investment in an associate	-	-	-	-	-	5,415	5,415
Deferred tax assets	-	-	-	-	-	13,662	13,662
Other intangible assets	-	-	-	-	-	7,975	7,975
Investment property	-	-	-	-	-	1,127	1,127
Other financial assets	-	-	-	-	-	13,383	13,383
Other assets	-	-	-	-	-	20,188	20,188
Other unallocated amounts	-	-	-	-	-	5,784	5,784
Total group assets	95,986	354	265,671	10,430	17,627	67,534	457,602
Total liabilities for reportable segments	(43,846)	(116)	(145,846)	(2,293)	(4,179)	-	(196,280)
Unallocated:							
Other financial liabilities	-	-	-	-	-	(817)	(817)
Deferred tax liabilities	-	-	-	-	-	(5,441)	(5,441)
Income tax payable	-	-	-	-	-	(18,406)	(18,406)
Total group liabilities	(43,846)	(116)	(145,846)	(2,293)	(4,179)	(24,664)	(220,944)

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

Please see section 8 for explanation.

17. A breakdown of sales

	Group		
	2020 (\$'000)	2019 (\$'000) Audited	% Increase/ (Decrease)
(a) Sales reported for the first half year	213,050	151,671	40.5
(b) Operating profit after tax before deducting minority interests reported for the first half year	41,971	36,996	13.4
(c) Sales reported for second half year	332,564	232,634	43.0
(d) Operating profit after tax before deducting minority interest reported for second half year	90,387	52,553	72.0

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

Type of dividend	2020 (\$'000)	2019 (\$'000)
Interim paid	-	6,529
Final (proposed)	-	-
Total	-	6,529

19. 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.

Financial Year Ended: 31 December 2020

Name	Age	Family relationship with any director, CEO or substantial shareholder	Current position and duties, and the year the position was held	Details if changes in duties and position held, if any, during the year
Tang Boon Leong, Jansen	43	Nephew of Group Co-Chairman, Group CEO/ Managing Director – Dr. Dora Hoan Beng Mui	<p>Group Manager, Regional Membership and Commission</p> <ul style="list-style-type: none"> - Handles regional membership related matters such as distributors' bonus payments and processing new memberships - Position promoted since 1 March 2015 <p>Senior Country Manager, China and HK</p> <ul style="list-style-type: none"> - Overall management of BWL China & HK's operations and market development - Position held since 1 March 2018 	NA
Tan Hui Keng, Phyllis	50	Sister-in-law of Co-Chairman, Group CEO/ Managing Director – Dr. Dora Hoan Beng Mui	<p>Group Manager, Logistic</p> <ul style="list-style-type: none"> - Handles all matters relating to inventory planning, purchasing, export and import, production and warehouse operations. - Position promoted since 1 March 2015 	NA

On behalf of the Board of Directors

Dora Hoan Beng Mui
Co-Chairman, Group CEO/ Managing Director

Doreen Tan Nee Moi
Co-Chairman, President

24 February 2021