



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

JB Foods Limited and its Subsidiaries

Company Registration Number 201200268D

Condensed interim financial statements
For the six months ended 30 June 2021



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

No.	Table of Contents	Pages
A.	Condensed interim consolidated statement of profit or loss and other comprehensive income	3
B.	Condensed interim statements of financial position	4
C.	Condensed interim statements of changes in equity	5
D.	Condensed interim consolidated statement of cash flows	7
E.	Notes to the condensed interim consolidated financial statements	8-18
F.	Other information required by Listing Rule Appendix 7.2	19



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	6 months ended		Changes %
		30 June 2021 USD'000	30 June 2020 USD'000	
Revenue	19	210,164	208,826	0.6
Cost of sales		(187,114)	(182,608)	(2.5)
Gross profit		23,050	26,218	(12.1)
Other items of income				
Interest income		34	29	17.2
Other (losses),net		(64)	(1,411)	95.5
Other items of expenses				
Selling and distribution expenses		(10,020)	(4,126)	(142.9)
Administrative expenses		(6,256)	(5,455)	(14.7)
Finance costs		(1,636)	(2,835)	42.3
Profit before income tax	14	5,108	12,420	(58.9)
Income tax expense	15	(916)	(2,001)	54.2
Profit for the period		4,192	10,419	(59.8)
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences		134	(149)	n.m
Total comprehensive income for the period		4,326	10,270	(57.9)
Profit attributable to:				
Owners of the parent		4,192	10,419	(59.8)
Non-controlling interest		-	-	
		4,192	10,419	(59.8)
Total comprehensive income attributable to:				
Owners of the parent		4,326	10,270	(57.9)
Non-controlling interest		-	-	
		4,326	10,270	(57.9)
Earnings per share				
- Basic and diluted (US\$ cents)	16	1.3	3.4	
EBITDA		10,375	18,762	



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

B. Condensed interim statements of financial position

	Note	Group		Company	
		30-June-21 USD'000	31-Dec-20 USD'000	30-June-21 USD'000	31-Dec-20 USD'000
Non-current assets					
Intangible assets	4	2,627	2,523	-	-
Investment properties	5	12,277	12,521	-	-
Property, plant and equipment	6	94,897	96,447	-	-
Right-of-use assets		2,252	2,404	-	-
Investments in subsidiaries		-	-	103,408	103,408
Fixed deposits	9	109	112	-	-
Deferred tax assets		136	150	-	-
		<u>112,298</u>	<u>114,157</u>	<u>103,408</u>	<u>103,408</u>
Current assets					
Inventories	7	186,212	178,811	-	-
Trade and other receivables	8	61,725	60,551	2,986	6,789
Prepayments		682	391	1	5
Derivative financial instruments	11	12,418	6,946	-	-
Current Income tax recoverable		1,742	1,644	-	-
Cash and bank balances	9	24,097	20,534	27	29
		<u>286,876</u>	<u>268,877</u>	<u>3,014</u>	<u>6,823</u>
Current liabilities					
Trade and other payables	10	34,503	30,937	67	138
Lease liabilities		4	16	-	-
Derivative financial instruments	11	11,638	10,908	-	-
Bank borrowings	12	171,170	160,902	-	-
Current income tax payable		1,020	1,570	-	-
		<u>218,335</u>	<u>204,333</u>	<u>67</u>	<u>138</u>
Net current assets		<u>68,541</u>	<u>64,544</u>	<u>2,947</u>	<u>6,685</u>
Non-current liabilities					
Bank borrowings	12	16,189	15,062	-	-
Deferred capital grant		491	491	-	-
Provision for post-employment benefits		689	624	-	-
Deferred tax liabilities		5,972	5,938	-	-
		<u>23,341</u>	<u>22,115</u>	<u>-</u>	<u>-</u>
Net assets		<u>157,498</u>	<u>156,586</u>	<u>106,355</u>	<u>110,093</u>
Capital and reserves					
Share capital	13	113,963	113,963	113,963	113,963
Other reserves		(32,156)	(32,290)	(8,458)	(8,458)
Retained earnings		75,681	74,903	850	4,588
Equity attributable to owners of the parent		<u>157,488</u>	<u>156,576</u>	<u>106,355</u>	<u>110,093</u>
Non-controlling interest	10	10	10	-	-
Total equity		<u>157,498</u>	<u>156,586</u>	<u>106,355</u>	<u>110,093</u>



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

C. Condensed interim statements of changes in equity

<u>GROUP</u>	Share capital USD'000	Merger reserves USD'000	Statutory Reserves USD'000	Foreign currency translation reserves USD'000	Retained profits USD'000	Equity attributable to the owners of the parent USD'000	Non-controlling interest USD'000	Total equity USD'000
Balance as at 1 January 2021	113,963	(25,472)	92	(6,910)	74,903	156,576	10	156,586
Profit for the financial period	-	-	-	-	4,192	4,192	-	4,192
Other comprehensive income for the financial period								
Foreign currency translation differences, net of tax	-	-	-	134	-	134	-	134
Total comprehensive income for the financial period	-	-	-	134	4,192	4,326	-	4,326
Contribution by and distribution to owners								
Dividends on ordinary shares	-	-	-	-	(3,414)	(3,414)	-	(3,414)
Balance as at 30 June 2021	113,963	(25,472)	92	(6,776)	75,681	157,488	10	157,498
Balance as at 1 January 2020	113,963	(25,472)	54	(7,638)	60,497	141,404	10	141,414
Profit for the financial period	-	-	-	-	10,419	10,419	-	10,419
Other comprehensive income for the financial period								
Foreign currency translation differences, net of tax	-	-	-	(149)	-	(149)	-	(149)
Total comprehensive income for the financial period	-	-	-	(149)	10,419	10,270	-	10,270
Contribution by and distribution owners								
Dividends on ordinary shares	-	-	-	-	(3,848)	(3,848)	-	(3,848)
Balance as at 30 June 2020	113,963	(25,472)	54	(7,787)	67,068	147,826	10	147,836



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

C. Condensed interim statements of changes in equity (Continued)

	Share capital USD'000	Retained earnings USD'000	Other reserve USD'000	Total USD'000
<u>COMPANY</u>				
Balance as at 1 January 2021	113,963	4,588	(8,458)	110,093
Loss for the period, representing total comprehensive income for the period	-	(324)	-	(324)
Dividends on ordinary shares, net	-	(3,414)	-	(3,414)
Balance as at 30 June 2021	113,963	850	(8,458)	106,355
Balance as at 1 January 2020	113,963	5,423	(8,458)	110,928
Loss for the period, representing total comprehensive income for the period	-	(161)	-	(161)
Contribution by and distribution owners				
Issuance of ordinary shares, net	-	(3,848)	-	(3,848)
Balance as at 30 June 2020	113,963	1,414	(8,458)	106,919



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

D. Condensed interim consolidated statement of cash flows

	Group	
	6 months ended	
	30 June 2021	30 June 2020
	USD'000	USD'000
Operating Activities		
Profit before tax	5,108	12,420
Adjustments for:-		
Amortisation of intangible asset	265	73
Amortisation of right-of-use assets	166	154
Amortisation of deferred capital grant	(5)	(8)
Depreciation of investment property	152	140
Depreciation of property, plant & equipment	3,053	3,148
Gain on disposal of intangible assets	-	(3)
Loss on disposal of plant and equipment	3	28
Net fair value (gain)/loss on derivative financial instruments	(4,742)	2,160
Interest expenses	1,636	2,835
Interest income	(34)	(29)
Provision for post-employment benefits	65	-
Operating cash flows before working capital changes	5,667	20,918
Changes in working capital:		
Inventories	(7,401)	28,440
Trade and other receivables	(1,174)	11,485
Prepayment	(291)	(5)
Trade and other payables	3,566	(16,437)
Cash generated from operations	367	44,401
Income tax paid	(1,564)	(1,474)
Net cash (used in)/from operating activities	(1,197)	42,927
Investing activities		
Purchase of property, plant & equipment	(1,464)	(4,998)
Purchase of intangible assets	(369)	-
Additions to investment properties	-	(22)
Proceed from disposal of plant & equipment	-	36
Interest received	34	29
Net cash used in investing activities	(1,799)	(4,955)
Financing activities		
Drawdown of bank borrowings	253,182	231,737
Repayment of bank borrowings	(241,787)	(259,732)
Dividend paid on ordinary shares	(3,414)	-
Repayment of obligation under leases	(12)	(67)
Interest paid	(1,636)	(2,835)
Net cash from/(used in) financing activities	6,333	(30,897)
Net change in cash and cash equivalents	3,337	7,075
Cash and cash equivalent at the beginning of the financial period	19,950	16,594
Effect of exchange rate changes on cash and cash equivalents	270	(234)
Cash and cash equivalents at end of financial period (Note 9)	23,557	23,435



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

JB Foods Limited (the “Company”) (Registration Number 201200268D) is a public company limited by shares, incorporated and domiciled in the Republic of Singapore. The Company was listed on Singapore Exchange Securities Trading Limited on 23 July 2012.

The Company’s immediate and ultimate holding company is JB Cocoa Group Sdn Bhd, a company incorporated in Malaysia.

The principal activities of the Group and the Company are those in manufacturing and trading of cocoa ingredients.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in United States dollar which is the Company’s functional currency.

2.1. New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant 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 consolidated financial statements as at and for the year ended 31 December 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.

There were no critical judgements in applying accounting policies that expect to have a significant risk resulting in a material adjustment within the next reporting period. effect on the amounts recognised in the financial statements.

3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

4. Intangible Assets

	Group	
	As at 30 June 2021 US\$'000	As at 31 Dec 2020 US\$'000
Computer software, software under development/others	3,564	3,195
Less: Amortisation	(937)	(672)
	2,627	2,523

5. Investment properties

	Group	
	As at 30 June 2021 US\$'000	As at 31 Dec 2020 US\$'000
Cost		
Balance as at 1 Jan and 30 June/ 31 Dec	13,227	12,965
Currency realignment	(97)	262
	13,130	13,227
Less: Accumulated depreciation		
Balance as at 1 Jan	706	404
Depreciation charge for the period/year	152	296
Currency realignment	(5)	6
Balance as at 30 June/31 Dec	853	706
Net carrying amount as at 30 June/31 Dec	12,277	12,521

Investment properties relate to the land and buildings located in Estonia, Malaysia and United States of America which are leased to external parties. These properties are measured at cost on initial recognition and subsequently carried at cost less accumulated depreciation and impairment losses.

The leasehold building has been pledged as security for term loan as disclosed in Note 12.

6. Property, plant and equipment

During the six months ended 30 June 2021, the Group acquire property, plant and equipment an aggregate cost of USD1,464,000 (30 June 2020: USD 4,998,000).



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

7. Inventories

	Group	
	As at 30 June 2021 US\$'000	As at 31 Dec 2020 US\$'000
Raw materials	77,962	86,890
Work-in-progress	8,168	9,485
Finished goods	95,003	77,389
Stores and supplies	5,079	5,047
	186,212	178,811

8. Trade and other receivables

	Group		Company	
	30-June-21 US\$'000	31-Dec-20 US\$'000	30-June-21 US\$'000	31-Dec-20 US\$'000
Financial Assets				
- Third parties	53,697	50,397	-	-
- Related party	654	393	-	-
	54,351	50,790	-	-
Other receivables				
- Third parties	137	236	-	-
- Subsidiaries	-	-	2,986	3,289
- GST/VAT receivables	2,937	1,714	-	-
- Dividend receivable due from subsidiaries	-	-	-	3,500
	3,074	1,950	2,986	6,789
Advances to third party suppliers	1,675	3,748	-	-
Deposits	2,625	4,063	-	-
Total trade and other receivables	61,725	60,551	2,986	6,789
Add:				
- Cash and bank balances (Note 9)	24,206	20,646	27	29
Less:				
- GST/VAT receivables	(2,937)	(1,714)	-	-
- Advances to third party suppliers	(1,675)	(3,748)	-	-
Financial assets at amortised costs	81,319	75,735	3,013	6,818

Expected credit loss assessment

The Group uses an allowance matrix to measure the expected credit loss of trade receivables, which comprise a very large number of small balances.

The allowance matrix is based on actual credit loss experience over the past two years. The expected credit loss computed is derived from historical data and credit assessment includes forward-looking information which management is at the view that customer conditions are representative of the prevailing at the reporting date. Based on management's assessment, no expected credit loss allowance is required.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

9. Cash and cash equivalents

	Group	
	As at 30 June 2021 US\$'000	As at 31 Dec 2020 US\$'000
Non-current fixed deposit	109	112
Current cash and bank balances	24,097	20,534
Total Cash and bank balances as at 30 June/31 Dec	24,206	20,646
Less: Current fixed deposit pledged with licensed banks	(540)	(584)
Non-current fixed deposit pledged with licensed bank	(109)	(112)
Cash and cash equivalents per consolidated statements of cash flows	23,557	19,950

10. Trade and other payables

	Group		Company	
	30-June-21 US\$'000	31-Dec-20 US\$'000	30-June-21 US\$'000	31-Dec-20 US\$'000
Trade payables				
- Third parties	23,770	14,639	-	-
- Related parties	4,286	5,408	-	-
	28,056	20,047		-
Other payables				
- Third parties	877	2,298	3	18
- VAT payables	3	226	-	-
Accrued expenses	3,422	6,223	64	120
Advances from customers	870	550	-	-
Provisions	1,275	1,593	-	-
Total trade and other payables	34,503	30,937	67	138
Add:				
- Bank borrowings	187,359	175,964	-	-
- Lease liabilities	4	16	-	-
Less:				
- VAT payables	(3)	(226)	-	-
- Advances from customers	(870)	(550)	-	-
- Provisions	(1,849)	(1,593)	-	-
Total financial liabilities carried at amortised costs	219,144	204,548	67	138



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

11. Derivative Financial Instruments

	Group	
	As at 30 June 2021 US\$'000	As at 31 Dec 2020 US\$'000
<u>Derivative assets</u>		
Foreign currency forward contracts	720	305
Derivative cocoa beans contracts	11,698	6,641
	12,418	6,946
<u>Derivative liabilities</u>		
Foreign currency forward contracts	1,022	1,175
Derivative cocoa beans contracts	10,616	9,733
	11,638	10,908

12. Bank Borrowings

	Group	
	As at 30 June 2021 US\$'000	As at 31 Dec 2020 US\$'000
<u>Current</u>		
Trade bills	164,384	156,533
Term loan	6,786	4,369
	171,170	160,902
<u>Non-current</u>		
Term loan	16,189	15,062
	187,359	175,964

As at end of each reporting period, the Group’s trade bills facilities are secured by corporate guarantees issued by the Company

The term loans are mainly secured by the subsidiaries’ investment property, property and plant, land use rights and corporate guarantee issued by the Company.

13. Share Capital

	Group and Company			
	30 June 2021		31 December 2020	
	Number of shares US\$'000	Amount US\$'000	Number of shares US\$'000	Amount US\$'000
Issued and fully paid-up				
At beginning/end of the financial period/year	303,199,966	113,963	303,199,966	113,963

The Company did not hold any treasury shares as at 30 June 2021 (30 June 2020: Nil).

The Company’s subsidiaries do not hold any shares in the Company as at 30 June 2021 and 31 December 2020.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

14. Profit before taxation

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, the above includes the following charges/(credits):

	Group 6 months ended	
	30 June 2021 US\$'000	30 June 2020 US\$'000
Outward freight	6,776	1,712
Haulage trucking	1,364	554
Amortisation of intangible assets	265	73
Amortisation of right-of-use assets	166	154
Depreciation of property, plant and equipment	3,053	3,148
Depreciation of investment properties	152	140
Rental income from investment properties	(556)	(488)
Fair value (gain)/loss on derivative financial instruments, net	(4,742)	2,160
Foreign exchange loss, net	1,343	2,540

15. Tax expense

	Group 6 months ended	
	30 June 2021 US\$'000	30 June 2020 US\$'000
Current tax expense		
Current year	916	2,001

16. Earnings per share

	Group 6 months ended	
	30 June 2021 US\$'000	30 June 2020 US\$'000
Profit attributable to equity holders of the Company	4,192	10,419
Weighted average number of ordinary shares in issue for calculation of basic and diluted earnings per share	303,200	303,200
Basic and diluted EPS based on aggregated weighted average number of ordinary share (cents)	1.3	3.4

The calculation of basic earnings per share at 30 June was based on profit attributable to owners of the Company and the weighted average number of ordinary shares outstanding.

The Group has no dilution in its earnings per share at 30 June 2021 and 30 June 2020.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

17. Net Asset Value

	Group		Company	
	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Net asset value per ordinary share based on issued share capital - (USD cents)	51.95	51.64	35.08	36.31

The net asset per share for the Group as at 30 June 2021 and 31 December 2020 have been calculated based on the issued share capital of 303,199,966 shares.

18. Dividends

	Group	
	30 June 2021	30 June 2020
	US\$'000	US\$'000
Ordinary dividends paid:		
Final dividend in respect of the previous financial year,		
Approved and paid during the interim period of S\$0.015 per ordinary share	3,414	3,848
(30 June 2020: S\$0.018)		

19. Segment and revenue information

Management has determined the operating segments based on the reports reviewed by the chief executive officer. A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resources to be allocated and assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

Income taxes are managed on a Group basis.

The accounting policies of the operating segments are the same of those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments. Management evaluates performance on the basis of profit or loss from operation before tax expense not including non-recurring gains and losses and foreign exchange gains or losses.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

The Group operates in only one business segment which is production and sale of cocoa ingredients products and therefore no business segment information has been presented.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

19.1 Reportable segments

Analysis by geographical segments

	Malaysia US\$'000	Singapore US\$'000	United States of America US\$'000	Indonesia US\$'000	Others US\$'000	Elimination US\$'000	Consolidated US\$'000
1 January 2021 to 30 June 2021							
Revenue							
External revenue	17,649	141,918	25,032	6,293	19,272	-	210,164
Inter-segment revenue	146,131	187,178	-	60,352	-	(393,661)	-
	<u>163,780</u>	<u>329,096</u>	<u>25,032</u>	<u>66,645</u>	<u>19,272</u>	<u>(393,661)</u>	<u>210,164</u>
Results							
Segment results	4,688	4,709	(502)	1,701	(320)	-	10,276
Interest income							34
Finance costs							(1,636)
Depreciation and amortisation							(3,566)
Profit before income tax							5,108
Income tax expense							(916)
Profit after income tax							<u>4,192</u>
Additions to non-current assets							
Property, plant and equipment	1,371	2	-	50	41	-	1,464
Intangible assets	-	365	-	-	-	-	365
Segment assets	<u>185,413</u>	<u>348,424</u>	<u>16,953</u>	<u>81,714</u>	<u>31,627</u>	<u>(264,957)</u>	<u>399,174</u>
Segment liabilities	<u>104,870</u>	<u>172,116</u>	<u>17,612</u>	<u>45,384</u>	<u>19,108</u>	<u>(117,414)</u>	<u>241,676</u>



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

19.1 Reportable segments (Continued)

Analysis by geographical segments

	Malaysia US\$'000	Singapore US\$'000	United States of America US\$'000	Indonesia US\$'000	Others US\$'000	Elimination US\$'000	Consolidated US\$'000
1 January 2020 to 30 June 2020							
Revenue							
External revenue	23,772	142,850	29,528	4,213	8,463	-	208,826
Inter-segment revenue	136,325	150,058	-	59,639	-	(346,022)	-
	160,097	292,908	29,528	63,852	8,463	(346,022)	208,826
Results							
Segment results	13,537	3,598	(344)	1,778	172	-	18,741
Interest income							29
Finance costs							(2,835)
Depreciation and amortisation							(3,515)
Profit before income tax							12,420
Income tax expense							(2,001)
Profit after income tax							10,419
Additions to non-current assets							
Property, plant and equipment	4,489	9	-	118	382	-	4,998
Investment properties	-	-	22	-	-	-	22
Segment assets	189,592	254,679	19,211	90,411	37,098	(260,468)	330,523
Segment liabilities	108,119	86,012	18,338	56,385	27,342	(113,512)	182,684

The analysis by geographical segments is based on entities in the Group in the respective countries.

**JB FOODS LIMITED**

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

19. Segment and revenue information (Continued)**19.2 Disaggregation of Revenue**

Revenue is based on the country and location of the customer in which goods are delivered and services are provided.

	Group	
	6 months ended	
	30 June 2021	30 June 2020
	US\$'000	US\$'000
North America		
- United States of America	22,292	48,018
- Others*	7,536	9,731
Asia		
- China	24,009	10,926
- Others*	73,937	64,779
Europe		
- Russian Federation	25,245	25,092
- Others*	30,689	23,554
Others*	26,456	26,726
Total revenue	<u>210,164</u>	<u>208,826</u>

* Others comprise countries where revenue derived was not material individually.

20. Fair value of financial assets and financial liabilities

The carrying amounts of the current financial assets and current financial liabilities approximate their fair values as at the end of the reporting period due to the relatively short period of maturity of these financial instruments. The fair value of non-current borrowings approximately their carrying amounts as these borrowings are subject to floating interest rates.

The Group's derivative financial instruments (financial assets and financial liabilities) are carried at fair value and considered as Level 2 hierarchy fair value measurement for financial periods ended 30 June 2021 and 31 December 2020.

Fair value Hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The table below analyses financial instruments carried at fair value and classified by level of the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

20. Fair value of financial assets and financial liabilities (*continued*)

There were no transfers between levels during the financial year.

The derivative financial instruments are not traded in active market. The management determines the fair value of derivative financial instruments through the valuation based on brokers' quotations. The key inputs to the calculations are the cocoa bean and foreign exchange spot and forward rates.

There have been no changes in the valuation techniques of the various classes of financial instruments during the financial period.

21. Subsequent events

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



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

OTHER INFORMATION

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

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

2. Review of performance of the Group

Consolidated Statement of Comprehensive Income

1H2021 vs 1H2020

The Group's revenue marginally increased by USD1.4million or 0.6% from USD208.8million for the half year ended 30 June 2020 ("1H2020") to USD210.2million for the half year ended 30 June 2021 ("1H2021") mainly due to higher shipment volume arising from customer demand which was partially offset by lower average selling price of the cocoa ingredients due to lower cocoa bean price. The Group's gross profit decreased by USD3.1million or 12.1% from USD26.2million in 1H2020 to USD23.1million in 1H2021 due to higher cocoa bean costs arising from the Living Income Differential imposed by certain bean producing country of origin.

The selling and distribution expenses increased by USD5.9million or 142.9% from USD4.1million in 1H2020 to USD10.0million in 1H2021, mainly due to a significant surge in the ocean freight rate caused by disruption in global supply chain and shortage of shipping vessels since last quarter of year 2020, and higher trucking costs arising from higher local delivery sales in North America and Russia market

The administrative expenses increased by USD0.8million or 14.7% from USD5.5million in FY2019 to USD6.3million FY2020, mainly due to an increase in the Group's staff costs and professional fee incurred in certain country of origin for the sustainability and feasibility study in those region, and additional staff health screening costs in compliance to Covid-19 safety measurement at our Group's manufacturing plants.

As a result of the above, the Group registered a profit after tax of USD4.2million in 1H2021.

Review of Consolidated Statement of Financial Position

The Group's non-current assets decreased by USD1.9million or 1.6% from USD114.2million as at 31 December 2020 to USD112.3million as at 30 June 2021, mainly due to capital expenditure incurred in plant and equipment amounting USD1.5million, partially offset by the depreciation charge of USD3.1million on property, plant and equipment.

The Group's current assets increased by USD18.0million or 6.7% from USD268.9million as at 31 December 2020 to USD286.9million as at 30 June 2021, mainly due to the increase in inventories, derivative financial instruments and cash and bank balances of USD7.4million, USD5.5million and USD3.6million, respectively.

The Group's current liabilities increased by USD14.0million or 6.9%, from USD204.3million as at 31 December 2020 to USD218.3million as at 30 June 2021, mainly due to the increase in trade and other payables and bank borrowings of USD3.6million and USD10.3million, respectively.

The Group's equity attributable to owners of the parent increased by USD0.9million or 0.6% mainly due to profit generated in 1H2021 of USD4.1million and partially offset with dividend payment of USD3.4million.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

2. Review of performance of the Group (Continued)

Review of Statement of Cash Flows

The Group's cash and cash equivalent increased by USD3.6million in 1H2021, due to net cash inflows from financing activities of USD6.3million, partially offset by net outflow used in operating activities and investing activities of USD1.2million and USD1.8million, respectively.

The net cash used in operating activities of USD1.2million in 1H2021 was mainly attributable to:

- a) Net cash outflows in inventories, trade and other receivables of USD7.4million and USD1.2million, respectively;
- b) Income tax paid of USD1.6million; and
- c) Positive operating cash flows of USD5.7million; and
- d) Net cash inflows from trade and other payables USD3.6million

The net cash used in investing activities of USD1.8million was mainly due to the capital expenditure incurred in the purchase of plant and equipment and intangible assets.

The net cash from financing activities of USD6.3million was mainly due to net drawdown of bank borrowings of USD11.4million which partially offset with dividend payment and interest paid of USD3.4million and USD1.6million.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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.

The COVID-19 pandemic continues to pose challenges and disruptions for the Group's businesses and operations. The Group expects the rest of the year will continue to be volatile.

The uncertainty in the ocean freight rates will continue to pose as a headwind to the Group as more than 90% of revenue are export oriented. The Group will closely monitor the development in the industry and will be assertive on our pricing strategy. However, the Group believes the cocoa consumption environment will continue to be supported by the recovery of the economy after the COVID-19 Pandemic and the growing middle-income classes over the long term.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

5. Dividend

(a) Current Financial Period Reported On

Name of dividend	Interim
Dividend type	Cash
Dividend per share (in Singapore cents)	0.20 Singapore cents per share

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of dividend	Interim
Dividend type	Cash
Dividend per share (in Singapore cents)	0.50 Singapore cents per share

(c) Date payable

The date payable for the proposed interim cash dividend will be on or about 24 September 2021.

(d) Record date

The record date for the proposed interim cash dividend will be on 10 September 2021.

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

Not applicable.

7. Interested person transactions

The Company has not obtained a general mandate from shareholders for IPTs. The Company has the following related person transactions with a related person who is not an “interested person” as defined in Chapter 9 of the listing manual.

Name of Interested Person	Aggregate value of all Interested person transactions during the financial year under review (exclude transactions less than S\$100,000 and transactions conducted under the shareholders’ mandate pursuant to Rule 920)
	6 months 30 June 2021
	USD’000
Guan Chong Cocoa Manufacturer Sdn Bhd	
- Purchase of cocoa ingredients	5,587
- Sales of cocoa ingredients	1,000
GCB Cocoa Singapore Pte Ltd	
- Purchase of cocoa ingredients	1,435

8. Confirmation pursuant to Rule 720 (1)

The Group has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.



JB FOODS LIMITED

(Incorporated in the Republic of Singapore on 3 January 2012)
(Company Registration No. 201200268D)

9. Negative confirmation pursuant to Rule 705 (5)

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the six months period ended 30 June 2021 to be false or misleading in any material aspect.

By Order of the Board

Tey How Keong

Chief Executive Officer and Executive Director

11 August 2021

Goh Lee Beng

Executive Director