

**Full Year Unaudited Financial Statements for the Year Ended 31 December 2022**

1(a) The following statements in the form presented in the group's most recently audited annual financial statements:-

(i) An income statement and statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year:-

	Note	Group					
		2nd Half ended			Full Year ended		
		31/12/2022	31/12/2021	+ / (-)	31/12/2022	31/12/2021	+ / (-)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Income Statement</b> (in Singapore Dollars)							
<b>Continuing operations</b>							
Revenue		307,051	290,354	6	577,523	558,976	3
<b>Costs and expenses</b>							
Costs of materials		166,433	154,314	8	314,868	293,071	7
Staff costs		56,475	54,176	4	110,717	109,931	1
Amortisation and depreciation		13,804	16,254	(15)	28,549	34,385	(17)
Repairs and maintenance		6,946	6,679	4	12,746	14,190	(10)
Utilities		10,464	9,083	15	19,687	17,138	15
Advertising and promotion		4,778	2,828	69	7,532	5,516	37
Other operating expenses		37,092	28,341	31	66,853	54,956	22
Total costs and expenses		295,992	271,675	9	560,952	529,187	6
Profit from operating activities		11,059	18,679	(41)	16,571	29,789	(44)
Finance costs		(858)	(936)	(8)	(1,676)	(1,960)	(14)
Share of (losses)/profits of joint venture	1(a)(ii)(c)	(1,114)	3,387	n.m.	2,720	4,223	(36)
Exceptional items	1(a)(ii)(d)	9,927	(3,311)	n.m.	19,536	(3,311)	n.m.
Profit before tax from continuing operations		19,014	17,819	7	37,151	28,741	29
Income tax expense	1(e)(E)						
- Current year		(4,888)	(4,508)	8	(8,519)	(7,372)	16
- (Under)/over provision in prior years		(2,817)	1,166	n.m.	(2,628)	1,028	n.m.
Profit after tax from continuing operations		11,309	14,477	(22)	26,004	22,397	16
<b>Discontinued operations</b>							
- Profit/(loss) after tax from discontinued operations	1(a)(ii)(b)	-	11,132	(100)	(6,339)	31,077	n.m.
<b>Group profit after tax</b>		11,309	25,609	(56)	19,665	53,474	(63)
<b>Attributable to:</b>							
<b>Owners of the parent</b>							
- Profit after tax from continuing operations		11,224	14,210	(21)	25,748	22,220	16
- Profit/(loss) after tax from discontinued operations		-	10,397	(100)	(6,339)	29,863	n.m.
		11,224	24,607	(54)	19,409	52,083	(63)
<b>Non-controlling interests</b>							
- Profit after tax from continuing operations		85	267	(68)	256	177	45
- Profit after tax from discontinued operations		-	735	(100)	-	1,214	(100)
		85	1,002	(92)	256	1,391	(82)
		11,309	25,609	(56)	19,665	53,474	(63)

n.m. = not meaningful

1(a)(i) **Statement of Comprehensive Income**

	<b>Group</b>			
	2nd Half ended		Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2022</u>	<u>31/12/2021</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Profit after tax	11,309	25,609	19,665	53,474
Other comprehensive income:				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
- Actuarial gain on defined benefit plans, net of tax	69	1,036	69	916
<u>Items that may be reclassified subsequently to profit or loss:</u>				
- Currency translation arising on consolidation	(6,982)	(5,913)	(15,816)	(8,834)
- Share of other comprehensive income of joint venture	(2,196)	5	(4,052)	(1,189)
Other comprehensive income for the year, net of tax	(9,109)	(4,872)	(19,799)	(9,107)
Total comprehensive income for the year	<u>2,200</u>	<u>20,737</u>	<u>(134)</u>	<u>44,367</u>
<u>Total comprehensive income attributable to:</u>				
Owners of the parent	2,094	19,807	(306)	43,087
Non-controlling interests	106	930	172	1,280
	<u>2,200</u>	<u>20,737</u>	<u>(134)</u>	<u>44,367</u>
<u>Total comprehensive income attributable to owners of the parent:</u>				
From continuing operations, net of tax	2,094	12,804	(1,696)	17,739
From discontinued operations, net of tax	-	7,003	1,390	25,348
	<u>2,094</u>	<u>19,807</u>	<u>(306)</u>	<u>43,087</u>

*Note: The foreign currency translation recognised in the Statement of Comprehensive Income occurs upon the conversion of the results of the Group's foreign subsidiaries into SGD. This is separate from the foreign currency translation recognised in the Income Statement under Other operating expenses. Please refer to Section 8.*

*The higher currency translation loss arising on consolidation is due to the weaker Philippine Peso impact on the Philippines based subsidiaries and the weaker Malaysian Ringgit impact on the Malaysian based subsidiaries (excluding GBKL) in FY 2022 as compared to FY 2021. Due to the disposal of the Primary Production business on 4 January 2022 there was a lower currency translation loss from Australian Dollar denominated subsidiaries in FY 2022.*

*The higher currency translation loss on Share of other comprehensive income of joint venture relates to the weaker Malaysian Ringgit impact on the GBKL joint venture.*

**Notes to the Income Statement**

Please see Section 8 for commentaries on the Income Statement.

**1(a)(ii) The following items, if significant, must be included in the income statement or in the notes to the income statement for current financial period reported on and the corresponding period of the immediately preceding financial year:-**

(a) Continuing operations

The Group's profit from operating activities is stated after (charging) / crediting:

	<b>Group</b>					
	2nd Half ended			Full Year ended		
	44,926	44,561		44,926	44,561	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other income including interest income and government grants (included in Revenue)	3,298	981	236	4,491	3,140	43
Interest income (included in Other income disclosed above)	1,688	108	n.m.	2,176	186	n.m.
<u>Other Operating Expenses which include the following:</u>						
Operating lease expense	(7,718)	(8,023)	(4)	(14,908)	(14,921)	(0)
Distribution and transportation expense	(7,080)	(5,884)	20	(13,853)	(11,471)	21
Foreign currency translation loss - unrealised	(7,092)	(1,722)	312	(11,102)	(2,237)	396
Foreign currency translation (loss)/gain - realised	(280)	(318)	(12)	730	(428)	n.m.
Professional fees	(1,442)	(1,038)	39	(2,602)	(2,090)	24
Allowance for inventories (charged)/written back and inventories written off, net	(1,408)	144	n.m.	(2,011)	(76)	n.m.
(Loss)/gain on disposal of property, plant and equipment	(195)	60	n.m.	(88)	176	n.m.
Allowance for receivables written back/ (charged) and bad debts written off, net	112	433	(74)	12	(313)	n.m.

(b) Discontinued operations

As announced on 4 January 2022, the Group completed the disposal of its Primary Production business (the "Disposal") and Rivalea Holdings Pty Ltd, Oxdale Dairy Enterprise Pty Ltd, Rivalea (Australia) Pty Ltd and Diamond Valley Pork Pty Ltd have ceased to be subsidiaries of the Company.

The Group recognised a loss on disposal of \$3.8 million, and \$2.5 million of associated costs incurred in relation to the disposal. The total amount of \$6.3 million is reflected as Loss after tax from discontinued operations.

With the completion of the disposal of the Primary Production business, the results of the discontinued operations for 2H 2022 and for the full year, FY 2022 were derecognized. Accordingly, a comparison between FY 2022 and FY 2021 would not be meaningful.

(c) Share of (losses)/profits of joint venture

As announced on 17 January 2023, the Group had recognised a non-cash impairment of \$5 million on the Group's investment in its joint venture, Gardena Bakeries (KL) Sdn Bhd ("GBKL"), as part of the Group's share of profits or losses of joint venture.

The Group had reduced its shareholding in GBKL from 70% to 50% in April 2016 in order to comply with Malaysian regulatory conditions. GBKL accordingly ceased to be a subsidiary of the Group and became a 50/50 joint venture. Under the shareholders' agreement, the parties are to work towards a listing of GBKL by a specified date, currently 31 March 2028, and if such listing cannot be achieved by then and there is no acquisition by one shareholder of the GBKL shares of the other, GBKL shall be wound up and the shareholders' agreement shall terminate. The joint venture may however be extended by mutual agreement and, as previously announced in July 2020, the parties had agreed to an extension of the listing target date from April 2026 to the current March 2028 date. In accordance with Singapore's Financial Reporting Standards, the Group was required to remeasure its remaining 50% investment in GBKL to its fair value as at 31 March 2016. An external valuer was appointed to perform this valuation. As a result, the Group recorded a net fair value uplift on identifiable assets of \$28.9 million and a goodwill of \$25.0 million arising from this valuation. SFRS(I) requires the Group to assess the recoverable amount of its investment in GBKL periodically. The Group has performed an assessment on the recoverable amount of its investment and determined that a partial, non-cash write-down of investment by approximately \$5.0 million in 2022 is required. This write-down has been adjusted against the goodwill account. The Group cannot rule out future non-cash write-downs of its investment due to factors relating to, amongst other things, currency movements, interest rates, trading performance and a future decision by the joint venture parties concerning the business beyond 31 March 2028.

**1(a)(ii)****(d) Exceptional Items**

The Group's "Exceptional Items" comprise:

	<b>Group</b>			
	2nd Half ended		Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2022</u>	<u>31/12/2021</u>
	S\$'000	S\$'000	S\$'000	S\$'000
One-off stock write-off and impairment loss on property, plant and equipment arising from the severe flooding in Peninsular Malaysia	-	(4,830)	-	(4,830)
Interim insurance payments for consequential loss and damage to stock, property, plant and equipment arising from the severe flooding in Peninsular Malaysia	9,927	-	19,536	-
Net gain on disposal of a subsidiary	-	1,519	-	1,519
	<u>9,927</u>	<u>(3,311)</u>	<u>19,536</u>	<u>(3,311)</u>

As announced on 27 October 2022 and 17 January 2023, the Group received total interim insurance payments of MYR 62.0 million (equivalent to \$20 million) for consequential loss and damage to stock, property, plant and equipment arising from the severe flooding in Peninsular Malaysia which affected one of the Group's Malaysian factories in December 2021. The insurance payouts have been recognised as exceptional gains for FY 2022.

**1(b)(i) A statement of financial position for the company and group, together with a comparative statement as at the end of the immediately preceding financial year:-**

**Statements of Financial Position**

(in Singapore Dollars)

	Note	Group		Company	
		31/12/2022 S\$'000	31/12/2021 S\$'000	31/12/2022 S\$'000	31/12/2021 S\$'000
<b>Current assets</b>					
Inventories		54,333	50,903	-	-
Trade receivables		78,514	79,448	-	-
Other receivables		17,300	27,249	52,783	87,971
Tax recoverable		7,527	6,440	-	-
Cash and cash equivalents		216,792	88,705	159,048	38,357
Assets belonging to disposal group <sup>(Note 1)</sup> classified as held for sale	1(e)(H)	-	306,111	-	-
		<u>374,466</u>	<u>558,856</u>	<u>211,831</u>	<u>126,328</u>
<b>Non-current assets</b>					
Property, plant & equipment	1(e)(F)	203,313	217,338	3,604	3,420
Right-of-use assets		19,300	22,475	289	327
Investment in subsidiaries		-	-	101,532	101,532
Advances to subsidiaries		-	-	146,553	156,067
Investment in joint venture and associate		64,312	75,047	-	-
Intangibles	1(e)(G)	165	168	99	83
Deferred tax assets		3,203	4,276	-	-
		<u>290,293</u>	<u>319,304</u>	<u>252,077</u>	<u>261,429</u>
Total assets		664,759	878,160	463,908	387,757
<b>Current liabilities</b>					
Trade payables		57,536	61,695	80	87
Other payables		49,183	55,576	116,618	12,730
Short-term borrowings		676	2,943	-	-
Long-term borrowings - current portion		6,019	4,526	-	-
Lease liabilities - current portion		3,373	3,325	92	92
Income tax payable		2,596	3,236	492	494
Liabilities belonging to disposal group classified as held for sale	1(e)(H)	-	154,229	-	-
		<u>119,383</u>	<u>285,530</u>	<u>117,282</u>	<u>13,403</u>
<b>Non-current liabilities</b>					
Other payables		8,677	9,139	2,865	3,539
Long-term borrowings		14,152	25,569	-	-
Lease liabilities		17,531	20,592	206	247
Deferred tax liabilities		5,557	5,002	754	739
		<u>45,917</u>	<u>60,302</u>	<u>3,825</u>	<u>4,525</u>
Total liabilities		165,300	345,832	121,107	17,928
Net assets		<u>499,459</u>	<u>532,328</u>	<u>342,801</u>	<u>369,829</u>
<b>Capital and reserves</b>					
Share capital		277,043	277,043	277,043	277,043
Reserves		220,665	253,511	65,758	92,786
Equity attributable to owners of the parent		497,708	530,554	342,801	369,829
Non-controlling interests		1,751	1,774	-	-
Total equity		<u>499,459</u>	<u>532,328</u>	<u>342,801</u>	<u>369,829</u>

Please see Section 8 for commentaries on the Group's Statement of Financial Position.

Note 1 As at 31 December 2021, included in assets belonging to the disposal group classified as held for sale are cash balances of \$41.8 million held by the Primary Production business. If not for the reclassification, the Group's cash and cash equivalents would have been \$130.5 million (\$88.7 million + \$41.8 million) as at 31 December 2021.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

(a) **Amount repayable within one year including those on demand**

As at 31/12/2022		As at 31/12/2021	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
220	9,848	-	10,794

*Note: The above relates only to the continuing operations*

(b) **Amount repayable after one year**

As at 31/12/2022		As at 31/12/2021	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	31,683	-	46,161

*Note: The above relates only to the continuing operations*

(c) **Details of any collaterals**

At the end of the financial year, property, plant & equipment with total net book values of \$220,000 (as at 31/12/2021: \$Nil) were pledged to secure certain credit facilities for the Group.

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:-**

<b>Statement of Cash Flows</b> (in Singapore Dollars)	<b>Group</b>	
	Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>
	S\$'000	S\$'000
<b>Cash flows from operating activities:</b>		
Profit before tax from continuing operations	37,151	28,741
(Loss)/profit before tax from discontinued operations	(6,339)	48,441
Profit before tax, total	<u>30,812</u>	<u>77,182</u>
Adjustments for:		
Amortisation and depreciation	28,549	34,385
Loss/(gain) on disposal of property, plant and equipment	88	(122)
Share of profits of joint venture	(2,720)	(4,223)
Impairment loss on property, plant and equipment	-	3,490
Fair value changes on biological assets	-	(2,360)
Allowance for receivables (written back)/charged and bad debts written off, net	(12)	313
Loss on disposal of disposal group classified as held for sale	3,861	-
Net gain on disposal of a subsidiary	-	(1,519)
Remeasurement gain on disposal group classified as held for sale	-	(5,653)
Interest expense	1,676	3,594
Interest income	(2,176)	(291)
Exchange differences	<u>4,920</u>	<u>2,416</u>
Operating profit before working capital changes	64,998	107,212
Decrease/(increase) in trade and other receivables	5,894	(13,462)
Increase in inventories and biological assets	(5,072)	(409)
(Decrease)/increase in trade and other payables	<u>(1,489)</u>	<u>32,381</u>
Cash from operations	64,331	125,722
Interest paid	(1,667)	(3,621)
Interest received	2,176	291
Income tax paid	<u>(12,395)</u>	<u>(13,202)</u>
<b>Net cash from operating activities</b>	<b><u>52,445</u></b>	<b><u>109,190</u></b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(26,552)	(30,092)
Proceeds from disposal of property, plant and equipment	211	334
Purchase of intangibles	(27)	(28)
Dividends received from joint venture	9,251	6,471
Net proceeds from disposal of disposal group classified as held for sale (Note A)	111,489	-
Net proceeds from disposal of a subsidiary	<u>-</u>	<u>(98)</u>
<b>Net cash from/(used in) investing activities</b>	<b><u>94,372</u></b>	<b><u>(23,413)</u></b>
<b>Cash flows from financing activities:</b>		
Dividends paid during the year	(40,269)	(28,763)
Dividends paid to non-controlling interests	(195)	(288)
Proceeds from borrowings	226	74
Repayment of borrowings	(9,326)	(34,462)
Payment of lease liabilities	(3,381)	(9,454)
Proceeds from long-term loans from non-controlling interests	<u>-</u>	<u>217</u>
<b>Net cash used in financing activities</b>	<b><u>(52,945)</u></b>	<b><u>(72,676)</u></b>
Net increase in cash and cash equivalents	93,872	13,101
Cash and cash equivalents at beginning of year	130,488	120,107
Effect of exchange rate changes on cash and cash equivalents	<u>(7,568)</u>	<u>(2,720)</u>
Cash and cash equivalents at end of year (Note B)	<u><u>216,792</u></u>	<u><u>130,488</u></u>

**1(c) Statement of cash flows (cont'd)**Note A : Analysis of the disposal of the disposal group classified as held for sale

	<u>2022</u> S\$'000
Biological assets	61,416
Inventories	37,656
Trade and other receivables	26,481
Cash and cash equivalents	41,783
Property, plant & equipment	128,721
Right-of-use assets	19,341
Pension assets	2,108
Deferred tax assets	12,640
Remeasurement loss	(24,035)
Trade and other payables	(62,137)
Short-term borrowings	(39,079)
Long-term borrowings	(16,961)
Lease liabilities	(13,904)
Deferred tax liabilities	(22,148)
Net assets disposed	<u>151,882</u>
Loss on disposal, gross	(3,861)
Reclassification of reserves	7,729
Cash consideration	<u>155,750</u>
Cash and cash equivalents of disposal group	(41,783)
Associated costs incurred for the disposal	(2,478)
Net cash inflow on disposal of disposal group classified as held for sale	<u><u>111,489</u></u>

Note B : Cash and cash equivalents

For the purpose of the statement of cash flow, the consolidated cash and cash equivalents at end of year comprised of the following:

	<b>Group</b>	
	<u>31/12/2022</u> \$'000	<u>31/12/2021</u> \$'000
Cash and cash equivalents		
- Continuing operations	216,792	88,705
- Discontinued operations	-	41,783
	<u><u>216,792</u></u>	<u><u>130,488</u></u>

**1(d)(i) A statement for the company and group showing all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year:-**

**Statement of Changes in Equity**

(In Singapore Dollars)

**Group**

	Share capital \$'000	Capital reserve \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Reserve of disposal group classified as held for sale # \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2022</b>	277,043	(1,511)	267,662	(3,360)	(9,280)	1,774	532,328
<b>Total comprehensive income for the year</b>							
Net profit for the year	-	-	19,409	-	-	256	19,665
<u>Other comprehensive income</u>							
<i>Currency translation arising on consolidation</i>	-	-	-	(15,658)	-	(158)	(15,816)
<i>Actuarial (loss)/gain on defined benefit plans</i>	-	-	(5)	-	-	74	69
<i>Share of other comprehensive income of joint venture</i>	-	-	161	(4,213)	-	-	(4,052)
Other comprehensive income for the year, net of tax	-	-	156	(19,871)	-	(84)	(19,799)
<b>Total comprehensive income for the year</b>	-	-	19,565	(19,871)	-	172	(134)
<b>Transactions with owners in their capacity as owners</b>							
<u>Contributions by and distributions to owners</u>							
Dividends	-	-	(40,269)	-	-	(195)	(40,464)
Total contributions by and distributions to owners	-	-	(40,269)	-	-	(195)	(40,464)
<u>Change in ownership interest in subsidiaries</u>							
Disposal of subsidiaries	-	-	(1,551)	-	9,280	-	7,729
Total change in ownership interests in subsidiaries	-	-	(1,551)	-	9,280	-	7,729
<b>Total transactions with owners in their capacity as owners</b>	-	-	(41,820)	-	9,280	(195)	(32,735)
<b>Balance at 31 December 2022</b>	<b>277,043</b>	<b>(1,511)</b>	<b>245,407</b>	<b>(23,231)</b>	<b>-</b>	<b>1,751</b>	<b>499,459</b>

# See page 14, Section 1(e)(H)

1(d)(i)

Group	Share capital \$'000	Capital reserve \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000	Reserve of disposal group classified as held for sale \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2021</b>	277,043	(1,511)	243,526	2,296	(5,044)	609	516,919
<b>Total comprehensive income for the year</b>							
Net profit for the year	-	-	52,083	-	-	1,391	53,474
<u>Other comprehensive income</u>							
Currency translation arising on consolidation	-	-	-	(4,467)	(4,236)	(131)	(8,834)
Actuarial gain on defined benefit plans	-	-	896	-	-	20	916
Share of other comprehensive income of joint venture	-	-	-	(1,189)	-	-	(1,189)
Other comprehensive income for the year, net of tax	-	-	896	(5,656)	(4,236)	(111)	(9,107)
<b>Total comprehensive income for the year</b>	-	-	52,979	(5,656)	(4,236)	1,280	44,367
<b>Transactions with owners in their capacity as owners</b>							
<u>Contributions by and distributions to owners</u>							
Transfer to other payables	-	-	-	-	-	(1,214)	(1,214)
Dividends	-	-	(28,843)	-	-	(208)	(29,051)
Total contributions by and distributions to owners	-	-	(28,843)	-	-	(1,422)	(30,265)
<u>Change in ownership interest in subsidiary</u>							
Disposal of subsidiary	-	-	-	-	-	1,307	1,307
Total change in ownership interest in subsidiary	-	-	-	-	-	1,307	1,307
<b>Total transactions with owners in their capacity as owners</b>	-	-	(28,843)	-	-	(115)	(28,958)
<b>Balance at 31 December 2021</b>	<u>277,043</u>	<u>(1,511)</u>	<u>267,662</u>	<u>(3,360)</u>	<u>(9,280)</u>	<u>1,774</u>	<u>532,328</u>

Company	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
<b>Balance at 1 January 2022</b>	277,043	92,786	369,829
Net profit for the year	-	13,241	13,241
<u>Contributions by and distributions to owners</u>			
Dividends	-	(40,269)	(40,269)
<b>Total transactions with owners in their capacity as owners</b>	-	(40,269)	(40,269)
<b>Balance at 31 December 2022</b>	<u>277,043</u>	<u>65,758</u>	<u>342,801</u>
<b>Balance at 1 January 2021</b>	277,043	38,794	315,837
Net profit for the year	-	82,755	82,755
<u>Contributions by and distributions to owners</u>			
Dividends	-	(28,763)	(28,763)
<b>Total transactions with owners in their capacity as owners</b>	-	(28,763)	(28,763)
<b>Balance at 31 December 2021</b>	<u>277,043</u>	<u>92,786</u>	<u>369,829</u>

1(d)(ii) Details of any changes in the company's issued share capital.

Since 30 June 2022 up to 31 December 2022, there has been no change to the issued and paid-up share capital of the Company.

**1(d)(iii) Total number of issued shares excluding treasury shares.**

	<u>As at</u> <u>31/12/2022</u>	<u>As at</u> <u>31/12/2021</u>
Total number of issued shares (excluding treasury shares)	575,268,440	575,268,440

No treasury shares were held by the Company during the year under review.

**1(d)(iv) Statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. No treasury shares were held by the Company as at 31 December 2022.

**1(d)(v) Statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. No subsidiary holdings (as defined in the Listing Manual) were held by the Company as at 31 December 2022.

**1(e) Selected Notes to the Interim Financial Statements**

*For the full year ended 31 December 2022*

**A. CORPORATE INFORMATION**

QAF Limited (the “Company”) is a public limited liability company incorporated and domiciled in Singapore. The registered address and principal place of business of the Company is 150 South Bridge Road, #09-03 Fook Hai Building, Singapore 058727.

The principal activities of the Company are those of an investment holding and management company. The principal activities of the Group consist of the manufacture and distribution of bread, bakery and confectionery products; provision for warehousing logistics for food items; trading and distribution of food and beverages and investment holding.

**B. BASIS OF PREPARATION**

The condensed interim financial statements for the financial year ended 31 December 2022 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 2021.

**C. 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 and estimates 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 2021.

**1(e) Selected Notes to the Interim Financial Statements (cont'd)**  
*For the full year ended 31 December 2022 (cont'd)*

**D. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021:

	<b>Group</b>	
	31/12/2022	31/12/2021
	S\$'000	S\$'000
<b><i>Financial assets measured at amortised cost</i></b>		
Trade receivables	78,514	79,448
Other receivables	5,556	13,285
Cash and cash equivalents	216,792	88,705
	<u>300,862</u>	<u>181,438</u>
<b><i>Financial liabilities measured at amortised cost</i></b>		
Trade payables	57,536	61,695
Other payables	46,566	52,469
Short-term borrowings	676	2,943
Long-term borrowings	20,171	30,095
	<u>124,949</u>	<u>147,202</u>

**E. INCOME TAX EXPENSE**

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated income statement are:

	2nd Half ended		Full Year ended	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax expense	(6,524)	(4,611)	(10,162)	(8,165)
Deferred tax relating to origination and reversal of temporary differences	(1,181)	1,269	(985)	1,821
	<u>(7,705)</u>	<u>(3,342)</u>	<u>(11,147)</u>	<u>(6,344)</u>

*Note: The above relates only to the continuing operations.*

Group income tax expense increased by 131% or \$4.4 million from \$3.3 million for 2H 2021 to \$7.7 million for 2H 2022, and by 76% or \$4.8 million from \$6.3 million for FY 2021 to \$11.1 million for FY 2022, due mainly to additional provision for prior years' tax resulting from effects of the insurance claims received by the Malaysian bakery factory which was affected by the flood in December 2021.

**1(e) Selected Notes to the Interim Financial Statements (cont'd)***For the full year ended 31 December 2022 (cont'd)***F. PROPERTY, PLANT AND EQUIPMENT**

During the financial year ended 31 December 2022, the Group acquired assets amounting to \$26,664,000 (31 December 2021: \$17,496,000) and disposed of assets amounting to \$299,000 (31 December 2021: \$82,000). Capital commitments not provided for in the financial statements amounted to \$36,777,000 as at 31 December 2022.

*Note: The above relates only to the continuing operations.*

**G. INTANGIBLE ASSETS**

	Group			Total S\$'000
	Trademark S\$'000	Intellectual property S\$'000	Software S\$'000	
Cost:				
At 1.1.2021	2,750	147	55	2,952
Additions	-	-	28	28
Currency realignment	-	(6)	-	(6)
At 31.12.2021 and 1.1.2022	<u>2,750</u>	<u>141</u>	<u>83</u>	<u>2,974</u>
Additions	-	-	27	27
Currency realignment	-	(10)	-	(10)
At 31.12.2022	<u>2,750</u>	<u>131</u>	<u>110</u>	<u>2,991</u>
Accumulated amortisation and impairment loss:				
At 1.1.2021	2,750	44	-	2,794
Amortisation for the year	-	15	-	15
Currency realignment	-	(3)	-	(3)
At 31.12.2021 and 1.1.2022	<u>2,750</u>	<u>56</u>	<u>-</u>	<u>2,806</u>
Amortisation for the year	-	14	11	25
Currency realignment	-	(5)	-	(5)
At 31.12.2022	<u>2,750</u>	<u>65</u>	<u>11</u>	<u>2,826</u>
Net carrying amount:				
At 31.12.2022	<u>-</u>	<u>66</u>	<u>99</u>	<u>165</u>
At 31.12.2021	<u>-</u>	<u>85</u>	<u>83</u>	<u>168</u>

Trademark, intellectual property and software with finite lives are amortised on a straight-line basis over their useful lives of 20, 10 and 5 years respectively.

**1(e) Selected Notes to the Interim Financial Statements (cont'd)**

*For the full year ended 31 December 2022 (cont'd)*

**H. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE**

The assets and liabilities related to Primary Production business had been presented in the balance sheet as “Assets belonging to disposal group classified as held for sale” and “Liabilities belonging to disposal group classified as held for sale”, and its results were presented separately in profit or loss as “Profit/(loss) after tax from discontinued operations”. The disposal was completed on 4 January 2022.

***Balance sheet disclosures***

The major classes of assets and liabilities of the disposal group classified as held for sale were as follows:

	31/12/2021 S\$'000
Assets:	
Biological assets	61,416
Inventories	37,656
Trade and other receivables	26,481
Cash and cash equivalents	41,783
Property, plant and equipment	128,721
Right-of-use assets	19,341
Pension assets	2,108
Deferred tax assets	12,640
Remeasurement loss	(24,035)
Assets belonging to disposal group classified as held for sale	306,111
Liabilities:	
Trade and other payables	62,137
Short-term borrowings	39,079
Long-term borrowings	16,961
Lease liabilities	13,904
Deferred tax liabilities	22,148
Liabilities belonging to disposal group classified as held for sale	154,229
Net assets belonging to disposal group classified as held for sale	151,882
Reserves:	
Revaluation reserve	244
Capital reserve	(1,795)
Foreign currency translation reserve	(7,729)
	(9,280)

As at 31 December 2021, inventories and property, plant and equipment belonging to the disposal group, with net carrying amounts of \$32,834,000, were mortgaged/pledged to the financial institutions to secure credit facilities.

**1(e) Selected Notes to the Interim Financial Statements (cont'd)**  
For the full year ended 31 December 2022 (cont'd)

**H. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (cont'd)**

**Income statement disclosures**

	2nd Half ended		Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>	<u>31/12/2022</u>	<u>31/12/2021</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	-	211,038	-	416,790
Expenses	-	(183,530)	-	(370,213)
Profit from operating activities	-	27,508	-	46,577
Finance costs	-	(745)	-	(1,634)
Gain recognised on remeasurement to fair value less cost to sell	-	1,748	-	5,653
Loss on disposal of disposal group classified as held for sale	-	-	(3,861)	-
Associated costs incurred for the disposal	-	(1,159)	(2,478)	(2,155)
Profit/(loss) before tax	-	27,352	(6,339)	48,441
Income tax expense	-	(16,220)	-	(17,364)
Net profit/(loss) after tax from discontinued operations	-	11,132	(6,339)	31,077

**I. DIVIDENDS**

	Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>
	S\$'000	S\$'000
Ordinary dividends paid:		
Interim tax-exempt (one-tier) dividend of 1 cent per share in respect of the financial year ended 31 December 2022	5,753	-
Final tax-exempt (one-tier) dividend of 4 cents per share in respect of the financial year ended 31 December 2021	23,010	-
Special tax-exempt (one-tier) dividend of 2 cents per share in respect of the financial year ended 31 December 2022	11,506	-
Interim tax-exempt (one-tier) dividend of 1 cent per share in respect of the financial year ended 31 December 2021	-	5,753
Final tax-exempt (one-tier) dividend of 4 cents per share in respect of the financial year ended 31 December 2020	-	23,010
Share of a subsidiary's dividends paid to a non-controlling interest in respect of the financial year ended 31 December 2021	-	80
	<u>40,269</u>	<u>28,843</u>

**J. RELATED PARTY TRANSACTIONS**

The following significant transactions took place during the financial year on terms agreed by the parties concerned:

	Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>
	S\$'000	S\$'000
Royalty income from joint venture	6,127	5,195
Purchase of goods from joint venture	3,604	2,166
Sale of goods to joint venture	38,086	75,901
Dividend income from joint venture	9,310	6,480
Purchase of goods from a company in which Mr Lam Sing Chung (formerly Mr Andree Halim) and immediate family member of Ms Rachel Liem Yuan Fang have an interest	2,909	1,805
Sales of goods to a company in which Mr Lam Sing Chung and immediate family member of Ms Rachel Liem Yuan Fang have an interest (Proceeds of the sales is covered by the personal guarantee by Mr Lam Sing Chung of up to \$1 million)	3,724	2,603
Management fees income from a company in which Mr Lin Kejian has an interest	240	-

**1(e) Selected Notes to the Interim Financial Statements (cont'd)**  
*For the full year ended 31 December 2022 (cont'd)*

**K. FAIR VALUE OF ASSETS AND LIABILITIES**

The Group does not have any financial instruments carried at fair value.

**L. SUBSEQUENT EVENTS**

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

**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.

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

N.A.

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

The Group has applied the same accounting policies and methods of computation as in the Group's audited financial statements for the previous year ended 31 December 2021. However, the Group adopted new or amended Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for financial years beginning on or after 1 January 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

**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.**

N.A.

**6. Earnings per ordinary share ("EPS") of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year:**

	Full Year ended	
	<u>31/12/2022</u>	<u>31/12/2021</u>
Basic and Diluted EPS	3.4 cents	9.1 cents
- continuing operations	4.5 cents	3.9 cents
- discontinued operations	(1.1) cents	5.2 cents

7. **Net asset value for the company and group per ordinary share based on the total number of issued shares excluding treasury shares of the company at the end of the period reported on and immediately preceding financial year:**

	As at <u>31/12/2022</u>	As at <u>31/12/2021</u>
Group	86.5 cents	92.2 cents
QAF Limited	59.6 cents	64.3 cents
Number of shares used for the calculation of Net asset value:	575,268,440	575,268,440

Group net assets value per share dropped from 92.2 cents as at 31 December 2021 to 86.5 cents as at 31 December 2022 mainly due to dividends declared and paid during the year (See page 15, Section 1(e)(I)).

8. **Review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **INCOME STATEMENT**

*Note: Any discrepancies in percentages included in Section 8 between the amounts shown and the corresponding percentage are due to rounding. Accordingly, figures shown as percentages in Section 8 may not be derived directly from such amounts shown.*

#### Continuing operations

	<b>2H 2022</b>	<b>2H 2021</b>	<b>+ / (-)</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>+ / (-)</b>
	<b>\$'million</b>	<b>\$'million</b>	<b>%</b>	<b>\$'million</b>	<b>\$'million</b>	<b>%</b>
<b><u>Segment Revenue</u> ^</b>						
Bakery	224.0	220.1	2	419.8	425.1	(1)
Royalty income from joint venture	3.6	3.1	16	6.8	5.9	15
Bakery and joint venture contribution	227.6	223.2	2	426.6	431.0	(1)
Distribution & Warehousing	78.4	67.7	16	150.0	128.9	16
Others * (including head office financials)	1.0	(0.5)	n.m.	0.9	(0.9)	n.m.
	<u>307.0</u>	<u>290.4</u>	<u>6</u>	<u>577.5</u>	<u>559.0</u>	<u>3</u>

#### **Segment EBITDA before exceptional items**

Bakery	28.4	36.1	(21)	50.5	65.1	(22)
Royalty income from joint venture	3.6	3.1	16	6.8	5.9	15
Share of (losses)/profits of joint venture	(1.1)	3.4	n.m.	2.7	4.2	(36)
Bakery and joint venture contribution	30.9	42.6	(27)	60.0	75.2	(20)
Distribution & Warehousing	4.6	2.8	64	7.8	6.4	22
Others * (including head office financials)	(13.4)	(7.2)	86	(22.1)	(13.4)	65
	<u>22.1</u>	<u>38.2</u>	<u>(42)</u>	<u>45.7</u>	<u>68.2</u>	<u>(33)</u>

	<b>2H 2022</b>	<b>2H 2021</b>	<b>FY 2022</b>	<b>FY 2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b><u>Segment EBITDA Margin</u></b>				
Bakery	13	16	12	15
Distribution & Warehousing	6	4	5	5
Overall	<u>7</u>	<u>13</u>	<u>8</u>	<u>12</u>

^ *Gardenia Bakeries (KL) Sdn Bhd ("GBKL") revenue is not consolidated as it is accounted for as a joint venture. GBKL's revenue increased by 18% or \$33.7 million from \$185.1 million in 2H 2021 to \$218.8 million in 2H 2022, and 17% or \$60.3 million from \$352.7 million in FY 2021 to \$413.0 million in FY 2022.*

\* *Exclude share of profits and royalty income from joint venture, GBKL. Includes non-cash unrealised foreign currency translation loss recorded at head office of \$7.1 million in 2H 2022 and \$1.7 million in 2H 2021, and \$11.1 million in FY 2022 and \$2.2 million in FY 2021.*

## 8. Review of the performance of the group (cont'd)

### **INCOME STATEMENT (cont'd)**

#### Continuing operations (cont'd)

Group revenue increased by 6% to \$307.0 million for the second half year ended 31 December 2022 ("2H 2022") from \$290.4 million for the second half year ended 31 December 2021 ("2H 2021"). For the financial year ended 31 December 2022 ("FY 2022"), revenue increased by 3% to \$577.5 million from \$559.0 million for the financial year ended 31 December 2021 ("FY 2021"). In constant currency terms, Group revenue increased by 11% in 2H 2022 compared to 2H 2021 and by 7% in FY 2022 from FY 2021.

Group earnings before interest, tax, depreciation and amortisation ("EBITDA") before exceptional items decreased by 42% from \$38.2 million for 2H 2021 to \$22.1 million for 2H 2022 and also decreased by 33% from \$68.2 million for FY 2021 to \$45.7 million for FY 2022.

In relation to the reported income statement for the Group, please refer to the summary table below which sets out a breakdown of the profit figures:

	2H 2022	2H 2021	+ / (-)	FY 2022	FY 2021	+ / (-)
	\$'million	\$'million	%	\$'million	\$'million	%
Group profit before tax from continuing operations ("PBT")	19.0	17.8	7	37.1	28.7	29
PBT excluding exceptional items and GBKL impairment	14.1	21.1	(33)	22.6	32.0	(29)
PBT <b>Margin</b> excluding exceptional items and GBKL impairment (%)	4.6%	7.3%		3.9%	5.7%	
Group Income Tax <sup>#</sup>	(7.7)	(3.3)	131	(11.1)	(6.3)	76
Group profit after tax from continuing operations ("PAT")	11.3	14.5	(22)	26.0	22.4	16
PAT <b>Margin</b> (%)	3.7%	5.0%		4.5%	4.0%	
Group profit attributable to owners of the parent ("PATMI") from continuing operations	11.2	14.2	(21)	25.7	22.2	16

<sup>#</sup> Increase in Group Income Tax is due mainly to additional provision for prior years' tax resulting from effects of the insurance claims received by the Malaysian bakery factory which was affected by the flood in December 2021.

The decrease in performance for 2H 2022 and FY 2022 as compared 2021 was largely due to higher costs relating to raw materials, transport and distribution and utilities. The shutdown of certain production lines arising from the severe flooding in December 2021 in Peninsular Malaysia, higher non-cash unrealised foreign currency translation losses, and the recognition of non-cash impairment of \$5.0 million on the Group's investment in its joint venture also adversely affected the Group EBITDA before exceptional items in both 2H 2022 and FY 2022.

The Group's costs of materials increased by 8% or \$12.1 million from \$154.3 million in 2H 2021 to \$166.4 million in 2H 2022 and by 7% or \$21.8 million from \$293.1 million in FY 2021 to \$314.9 million in FY 2022. If the effects of the flood-damaged factory in Malaysia are excluded, a more appropriate comparison on a year-on-year basis relating to cost of materials was much higher at 20%. This is in line with higher raw material (particularly flour) costs and higher sales volume of both the Bakery and Distribution & Warehousing segments.

Amortisation and depreciation decreased by 15% or \$2.5 million from \$16.3 million in 2H 2021 to \$13.8 million in 2H 2022 and by 17% or \$5.9 million from \$34.4 million in FY 2021 to \$28.5 million in FY 2022. The impairment of property, plant and equipment that were affected at the Malaysian bakery factory by the flood in December 2021 and a once-off adjustment to revise the useful life of certain property, plant and equipment in FY 2021 resulted in lower depreciation charges in FY 2022.

Repairs and maintenance increased by 4% in 2H 2022 compared to 2H 2021 but decreased 10% from \$14.2 million in FY 2021 to \$12.7 million in FY 2022 due to lower requirements in the Bakery segment.

Utilities increased 15% from \$9.1 million in 2H 2021 to \$10.5 million in 2H 2022 and by 15% from \$17.1 million in FY 2021 to \$19.7 million in FY 2022 following substantial increases in electricity, fuel and gas costs. If the effects of the flood-damaged factory in Malaysia are excluded, a more appropriate comparison on a year-on-year basis relating to cost of utilities was much higher at 32%.

## 8. Review of the performance of the group (cont'd)

### **INCOME STATEMENT (cont'd)**

#### Continuing operations (cont'd)

Advertising and promotion expenses increased by 69% or \$2.0 million to \$4.8 million in 2H 2022 and by 37% or \$2.0 million from \$5.5 million in FY 2021 to \$7.5 million in FY 2022. Efforts by Gardenia Bakeries (Philippines) Inc ("GBPI") to counter competition and the Distribution and Warehousing segment deploying aggressive promotions in local and export markets were major contributing factors.

Other operating expenses increased by 31% to \$37.1 million in 2H 2022, and by 22% or \$11.9 million from \$55.0 million in FY 2021 to \$66.9 million in FY 2022 million mainly due to higher non-cash unrealised foreign currency translation loss and higher distribution and transportation expense. The Group recorded a non-cash unrealised foreign currency translation loss of \$7.1 million in 2H 2022 as compared with \$1.7 million in 2H 2021 and a loss of \$11.1 million in FY 2022 as compared with \$2.2 million in FY 2021. The major component of the \$11.1 million loss arose from the translation effects from AUD to SGD of the Group's substantial holdings in AUD-denominated cash and deposits. Distribution and transportation expense increased by 20% or \$1.2 million from \$5.9 million in 2H 2021 to \$7.1 million in 2H 2022 and 21% or \$2.4 million from \$11.5 million in FY 2021 to \$13.9 million in FY 2022 as a result of higher fuel costs and sales volume.

Group finance costs (interest expense) decreased by 8% or \$0.1 million from \$0.9 million in 2H 2021 to \$0.8 million in 2H 2022 and by 14% or \$0.3 million from \$1.9 million in FY 2021 to \$1.6 million in FY 2022 due to lower borrowings.

The Group had recognised a non-cash impairment of \$5.0 million on the Group's investment in its joint venture in December 2022. Please refer to page 3 of this announcement. This impacted both the 2H 2022 and FY 2022 results. Accordingly, the Group recorded a share of losses of joint venture of \$1.1 million in 2H 2022 as compared to a share of profits of joint venture of \$3.4 million in 2H 2021. The Group's share of profit of joint venture decreased by 36% or \$1.5 million from \$4.2 million in FY 2021 to \$2.7 million in FY 2022.

As set out in Section 1(a)(ii)(a) on page 3 of this announcement, Other income including interest income and government grants increased by 236% or \$2.3 million from \$1.0 million in 2H 2021 to \$3.3 million in 2H 2022 and by 43% or \$1.4 million from \$3.1 million in FY 2021 to \$4.5 million in FY 2022. In FY 2022, the Group held higher AUD-denominated cash and deposits.

#### Discontinued operations

As announced on 4 January 2022, the Group completed the disposal of its Primary Production business (the "Disposal") and Rivalea Holdings Pty Ltd, Oxdale Dairy Enterprise Pty Ltd, Rivalea (Australia) Pty Ltd and Diamond Valley Pork Pty Ltd have ceased to be subsidiaries of the Company.

The Group recognised a loss on disposal of \$3.8 million, and \$2.5 million of associated costs incurred in relation to the disposal. The total amount of \$6.3 million is reflected as Loss after tax from discontinued operations.

With the completion of the disposal of the Primary Production business, the results of the discontinued operations for 2H 2022 and for the full year, FY 2022 were derecognized. Accordingly, a comparison between FY 2022 and FY 2021 would not be meaningful.

### **STATEMENT OF FINANCIAL POSITION**

Inventories increased by 7% from \$50.9 million as at end of FY 2021 to \$54.3 million as at end of FY 2022, mainly to ensure continuity of stock items in the Distribution and Warehousing segment during the interruptions to supply chains.

Other receivables decreased by 37% or \$9.9 million from \$27.2 million as at end of FY 2021 to \$17.3 million as at end of FY 2022. This was largely due to receipt of trust monies of \$8.6 million in relation to the disposal of the Primary Production business and lower sales tax receivable. There was a corresponding offset of \$8.6 million in Other payables (current) which decreased 12% to \$49.2 million as at end of FY 2022.

## 8. Review of the performance of the group (cont'd)

### **STATEMENT OF FINANCIAL POSITION (cont'd)**

Tax recoverable increased by 17% or \$1.1 million from \$6.4 million as at end of FY 2021 to \$7.5 million as at end of FY 2022 due mainly to the Philippines group of companies' accumulated certificates of creditable tax withheld. Philippines tax regulations mandate the advance withholding of tax for selected transactions which is paid directly to the tax authority and are useable as income tax credits. The excess creditable withholding taxes may be carried forward to succeeding years until fully utilised.

With the disposal of Primary Production business, assets and liabilities belonging to the disposal group classified as held for sale were derecognised.

Right-of-use assets reduced by \$3.2 million from \$22.5 million as at end of FY 2021 to \$19.3 million as at end of FY 2022, due to depreciation of the assets of \$3.6 million, partly offset by additions during the year.

Investment in joint venture and associate decreased by 14% or \$10.7 million from \$75.0 million as at end of FY 2021 to \$64.3 million as at end of FY 2022 due to the Group's recognition of non-cash impairment of \$5.0 million on the Group's investment in its Malaysian joint venture (Please refer to page 3 of this announcement), and lower Singapore Dollar equivalent on the Malaysian investment due to weaker Malaysian Ringgit in FY 2022.

Total short-term and long-term borrowings decreased by 37% from \$33.0 million as at end of FY 2021 to \$20.8 million as at end of FY 2022 due to the repayment of loans. Including lease liabilities, the Group's gross gearing ratio is 0.08 times as at 31 December 2022 compared to 0.11 times as at 31 December 2021.

As the Group's cash of \$216.8 million is higher than its debt of \$41.8 million, it is in a net cash position of \$175.0 million as at end of FY 2022. This has increased from \$31.8 million as at end of FY 2021. Taking this net cash position into account, the net gearing ratio is -0.35 times as at 31 December 2022 compared to -0.06 times as at 31 December 2021.

### **STATEMENT OF CASH FLOWS**

Cash and cash equivalents for the Group were \$216.8 million as at end of FY 2022, an increase of \$128.1 million from \$88.7 million as at end of FY 2021. The receipt of sales proceeds of \$155.7 million from the disposal of Primary Production business and positive cash flow from operating activities of \$52.4 million, were mainly offset by dividend payments of \$40.5 million, capital expenditure of \$26.6 million and net repayment of borrowings and lease liabilities of \$12.5 million.

### **The performance review of the Group's business segments is as follows:**

#### Continuing operations

#### **BAKERY AND JOINT VENTURE CONTRIBUTION**

In 2H 2022, the Group's Bakery segment sales increased by 2% (8% in constant currency terms) to \$224.0 million whereas for FY 2022, Bakery segment revenue decreased by 1% from \$425.1 million in FY 2021 to \$419.8 million in FY 2022 (4% increase in constant currency terms). Gardenia Malaysia (excluding GBKL) sales were affected by the shutdown of certain production lines arising from the severe flooding in December 2021 in Peninsular Malaysia. If the effects of the flood-damaged factory in Malaysia are excluded, a more appropriate comparison on a year-on-year basis for the Group's Bakery segment sales would have seen a higher sales increase.

Higher costs of raw materials, distribution and transportation expense and utilities posed a significant pressure on the segment and reduced the Group Bakery segment EBITDA before exceptional items by 21%, from \$36.1 million for 2H 2021 to \$28.4 million for 2H 2022 and by 22% from \$65.1 million for FY 2021 to \$50.5 million for FY 2022. Overall EBITDA margin (before exceptional items) for the Bakery segment reduced from 16% for 2H 2021 to 13% for 2H 2022 and from 15% for FY 2021 to 12% for FY 2022.

GBKL's sales, which were not included in the Group's revenue, increased by 18% or \$33.7 million to \$218.8 million in 2H 2022 and by 17% or \$60.3 million to \$413.0 million in FY 2022.

## 8. Review of the performance of the group (cont'd)

### **The performance review of the Group's business segments is as follows: (cont'd)**

#### Continuing operations (cont'd)

The Group had recognised a non-cash impairment of \$5.0 million on the Group's investment in its joint venture in December 2022. Please refer to page 3 of this announcement. This impacted both the 2H 2022 and FY 2022 results. Accordingly, the Group recorded a share of losses of joint venture of \$1.1 million in 2H 2022 as compared to a share of profits of joint venture of \$3.4 million in 2H 2021. The Group's share of profits of joint venture decreased by 36% or \$1.5 million from \$4.2 million in FY 2021 to \$2.7 million in FY 2022.

Including joint venture contribution, the EBITDA before exceptional items for the Bakery reduced by 27% or \$11.7 million from \$42.6 million for 2H 2021 to \$30.9 million for 2H 2022 and by 20% or \$15.2 million from \$75.2 million for FY 2021 to \$60.0 million for FY 2022.

#### **DISTRIBUTION & WAREHOUSING**

For 2H 2022, the Group's Distribution & Warehousing segment achieved increase in revenue by 16% or \$10.7 million from \$67.7 million for 2H 2021 to \$78.4 million for 2H 2022, and by 16% or \$21.1 million from \$128.9 million for FY 2021 to \$150.0 million for FY 2022. Major contributors were higher sales to food services and export, partly offset by lower sales to retail supermarkets. EBITDA for 2H 2022 increased to \$4.6 million as compared with \$2.8 million for 2H 2021 and for FY 2022 increased to \$7.8 million as compared with \$6.4 million for FY 2021 in line with the increase in revenue.

We have in September 2022 incorporated a wholly owned subsidiary, QAF Australia Trading Pty Ltd, with issued and paid-up capital of approximately \$0.5 million to focus on distributing products between Australia/New Zealand and Asia. Another wholly owned subsidiary, Master Cut Butchery Pte. Ltd was incorporated in December 2022 with issued and paid-up capital of \$50,000 that will produce packaged meat products with Singapore halal certification to meet the needs and demands of existing and future customers in domestic and regional markets. Separately, it has been proposed that Gardenia Bakery Trading Co., Ltd, the Thailand-based distribution company in which we hold a 24.5% stake, be placed under voluntary liquidation from March 2023. The decision for the proposed liquidation was made after reassessing the business potential of the company and will have no material financial impact on the Group.

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

No deviation. In line with the company's announcements, 1H 2022 Unaudited Results Announcement dated 5 August 2022 and Profit Guidance dated 17 January 2023, 2H 2022 operating performance has exceeded 1H 2022 operating performance.

Profit from operating activities, Profit before tax from continuing operations, Group profit after tax and Underlying earnings of continuing operations have all exceeded 1H 2022 in 2H 2022. Profit after tax from continuing operations was not greater in 2H 2022 than in 1H 2022 due to the timing of prior year tax adjustments and year-end related tax impacts.

**10. A commentary at the date of 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.**

**Global Economic Environment**

The global economic environment continues to be characterized by uncertainties relating to high growth rates, low unemployment with labour shortages, and high inflation rates not seen in decades. Global supply chains, already impacted in recent years by the Covid-19 pandemic are being further constrained by geopolitical tensions such as the Russian-Ukrainian conflict. Central banks have enacted monetary policy levers with interest rates increasing quite rapidly across many jurisdictions.

In the Group's key core markets of Singapore, Philippines, Malaysia, and Australia, the key economic impacts have been:

		Singapore <sup>1</sup>	The Philippines <sup>2</sup>	Malaysia <sup>3</sup>	Australia <sup>4</sup>
Inflation rates	4Q21 YoY (Dec-21 YoY for Philippines)	3.7%	3.1%	3.2%	3.5%
	Latest reported	6.6% (4Q22 YoY)	8.7% (Jan-23 YoY)	3.9% (4Q22 YoY)	7.8% (4Q22 YoY)
GDP	4Q21 YoY	6.1%	7.7%	3.6%	4.2%
	Latest reported quarter	2.1% (4Q22)	7.1% (4Q22)	7.0% (4Q22)	5.9% (3Q22)
Unemployment Rate	Dec 2021	2.4%	6.6%	4.3%	4.2%
	Dec 2022	2.0%	4.3%	3.6%	3.5%

<sup>1</sup> Singapore's Ministry of Trade and Industry

<sup>2</sup> Philippine Statistics Authority; inflation rate for quarter based on inflation rate for last month of quarter

<sup>3</sup> Bank Negara Malaysia

<sup>4</sup> Australian Bureau of Statistics

The increase in demand for consumer products in early FY 2022 fueled increases in GDP, but this has been tempered during the second half of FY 2022 by inflationary effects of increased global commodity prices and rising interest rates.

The decline in unemployment rates has seen all industries competing for limited human resources. Together with rising inflation, there is added pressure for wage costs.

**Impact on our Performance**

Our FY 2022 financial performance was impacted by significant inflationary pressures, and dominant global events such as the Ukrainian War accelerated the disruptive effects on supply chains during 2022. If the effects of the flood-damaged factory in Malaysia are excluded, a more appropriate comparison on a year-on-year basis would see significant increases across the key input costs for the rest of the Group, particularly wheat (impacting material costs which increased by 20%), electricity and gas (impacting utility costs which increased by 32%) and crude oil (impacting distribution costs which increased by 21%). These cost increases impacted from early part of FY 2022 and have only started to decline towards the end of the year. We have navigated through this high cost-inflation environment by, in particular, strategic price and product mix adjustments so as to maintain our competitive edge.

Currency movements also affected results, with the PHP dropping approximately 11%, MYR 5% and AUD 7% relative to the USD during the year. The SGD also weakened against the USD as much as 6% before rebounding back by the end of 2022. The Group experienced higher revenue growth of 7% during the year from continuing operations on constant currency basis. However, due to the relative strength of the SGD against the local currencies in the markets in which we operate, the full effect of this revenue growth was not realised when translated into the Group consolidated results. The Group also recorded unrealised foreign currency translation loss of approximately S\$11.1 million, mainly arising from the Group's holdings in AUD-denominated cash and deposits. The Group held interest-bearing deposits in AUD following the completion of the sale of its Primary Production business in early 2022 when exchange rates were around A\$1:S\$0.98. As at 31 December 2022, these deposits amounted to approximately A\$147.6 million. For the purposes of financial reporting for FY 2022, these deposits were translated into an SGD-equivalent value of S\$134.5 million at the exchange rate of A\$1:S\$0.911 as at 31 December 2022.

Section 8 sets out more details of the foregoing impact on our performance.

## 10. A commentary at the date of announcement of the significant trends and competitive conditions of the industry (cont'd)

### Outlook

2023 is expected to be another year of challenging operating environment. Continued uncertainties surrounding the Covid-19 pandemic, war in Ukraine and high inflation and interest rates have led to increased expectations for a global economic slowdown and recession in certain markets. For 2023, both the World Bank and International Monetary Fund have lower growth forecasts for countries in which the Group operates. These combined with lower business and consumer sentiments, and possible slowdown in employment rates, make for difficult trading headwinds. We expect consumer demand to soften and purchasing decisions to change in response to these situations. Foreign currency translation rates against the SGD for financial reporting purposes remain relatively unpredictable.

Whilst recent softening of wholesale commodity pricing in wheat, utilities and fuel is welcomed, these costs remain above pre-pandemic levels. Owing to the pre-commitment basis of how certain raw materials such as flour are purchased and also the process for the softening of such costs to filter through the supply chain, there will be a lag before the impact of the reductions in overall costs is felt. In addition, any wage costs reduction from economic slowdown will take longer to adjust. As such, we expect to continue to face challenging high-cost inflationary environment in 2023.

As previously announced in October 2022, we have received interim insurance payments of about \$20 million in respect of flood damage at one of our Malaysian factories and resultant consequential loss. The total amount of claims which has been filed to date is estimated to be RM159 million (equivalent to approximately \$50 million, out of which RM62 million (equivalent to approximately \$20 million) has been approved by and received from the insurer. Assuming all submitted insurance claims are accepted and paid by the insurer, the Group is expected to recognise another exceptional gain of up to RM97 million (equivalent to approximately \$30 million) from FY 2023 onwards. On this basis, the tax liabilities attributable to the insurance payments of about \$20 million in FY 2022 is estimated at RM13 million (equivalent to \$4 million) for which provisions have been made. For FY 2023 onwards, the amount of tax liabilities is estimated at RM14 million (equivalent to approximately \$4 million). Consultants' costs of \$0.2 million had also been incurred in FY2022 and further costs are expected to be recognised in FY 2023. The entire amount recovered under the insurance for property damage and consequential loss will be used to pay for the replacement and reinstatement of the damaged production lines, tax liabilities arising from the receipt of such insurance payments and consultants' costs. We expect the production lines to be fully reinstated and operational in 2H2023. Separately, the Group's joint venture, GBKL, intends to submit insurance claim(s) for consequential losses to the insurer, subject to a policy limit of approximately RM42 million (equivalent to approximately S\$13 million). An assessment of this consequential loss is being undertaken and analysed in conjunction with their consultant.

It is highlighted that, as the replacement or reinstatement of the damaged production lines and other related matters, as well as the processing of the insurance claims, are ongoing, and as the audit of the financial statements for FY 2022 is ongoing and for FY 2023 (for determining consequential losses) will only be undertaken at a later date, there is no assurance that insurance claims made or to be made will materialise and/or that insurance payments to be received will be equivalent to the amount claimed under such insurance policies. The claims referred to above are based on current estimates and may be subject to variation. In addition, the Group's tax position as set out above arising from the receipt of the insurance payments is a current estimate and subject to finalisation with the tax authority.

The Group's balance sheet as at 31 December 2022 remains strong with a net cash position of \$175.0 million. Substantial cash balances which are generating interest returns in a rising interest rate environment, have been prudently reserved from operating performance and the proceeds from the sale of the primary production business in early 2022. The Group's conservative capital management and capital expenditure policy will enable the Group to withstand unexpected financial stress that may arise in these unprecedented challenging times and to fund steady dividend payments, if necessary.

As a major player in the consumer food staples sector, we will be concentrating on stable revenue growth across our core activities to consolidate resilience during these volatile times. The Group operates in competitive markets, and we will rely upon expanding of our market position through more extensive distribution channels, product development and strategic adjustments to our product mix and prices. Price adjustments will however be moderated by the expected lower general business and consumer sentiments, and resistance from modern trade channels such as supermarkets. In addition, we will also implement programs relating to cost management, manufacturing and distribution efficiency and capacity utilization.

**10. A commentary at the date of announcement of the significant trends and competitive conditions of the industry (cont'd)**

**Outlook (cont'd)**

As mentioned in previous announcements, the Group is focusing on expanding its trading and distribution business. This capital light, scalable approach, will concentrate on the sale and distribution of long shelf-life products and is complementary to our expansive distribution and supply chain network across ASEAN, with potential to expand into China and Australasia region.

Barring unforeseen circumstances, we expect FY 2023 operating performance to be satisfactory given the resilience of our business. However, it remains challenging to comment in greater detail on the trend in FY 2023, given the volatile and uncertain global and business risks, such as:

- Volatility in foreign currency movement, especially in relation to our reporting currency of SGD;
- Changes to valuation of GBKL, due to factors relating to, amongst other things, currency movements, interest rates, trading performance and a future decision by the joint venture parties concerning the business beyond 31 March 2028 that may lead to future non-cash write-downs of our investment in GBKL;
- Global health pandemics or epidemics especially Covid-19 and any surge in infections or emergence of new variants;
- Global geopolitical instability especially any escalation of the Russo-Ukrainian conflict and geopolitical tensions between China and the U.S. in relation to Taiwan;
- Unfavourable macroeconomic situation such as persistent inflation and associated monetary tightening, liquidity crisis in the global financial systems, volatility of currency exchange, volatility of commodity prices and higher energy costs, possible economic recessions;
- Regulatory, political, economic risk from business operations in the ASEAN region;
- Unanticipated business disruptions in areas such as supply chain, product distribution, cyberattacks;
- Change in climate conditions and its adverse impacts on raw material supply such as wheat;
- Evolving consumer preferences, demand and spending and our ability to anticipate and respond to these changes effectively;
- Management and availability of labour and escalation of labour costs;
- Impact of tax matters such as disagreements with taxing authorities or changes in tax regulations or practices;
- Impact of food safety including the public's perception or actual issues with product quality.

The Board has decided to recommend a final dividend of \$0.04 per share for FY 2022. Together with the interim \$0.01 dividend paid in May 2022, the total dividend for FY 2022 would amount to \$0.05 per share or total of \$28.8 million. In addition, in February 2022, we paid a Special Dividend of \$0.02 per share or a total of \$11.5 million following the completion of the sale of the Primary Production business.

**11. Dividends**

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

Any dividend declared? Yes

	Interim (paid)	Special (paid)	Proposed Final Dividend
Dividend type	Cash	Cash	Cash
Dividend rate	1 cent per ordinary share	2 cents per ordinary share	4 cents per ordinary share
Tax rate	Exempt 1 tier	Exempt 1 tier	Exempt 1 tier

The QAF Scrip Dividend Scheme will not apply to the proposed final dividend.

**(b) Previous corresponding period**

Any dividend declared? Yes

	Interim	Final Dividend
Dividend type	Cash	Cash
Dividend rate	1 cent per ordinary share	4 cents per ordinary share
Tax rate	Exempt 1 tier	Exempt 1 tier

**(c) Date payable** To be announced later

**(d) Book closing date** To be announced later

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

N.A.

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.

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than \$100,000) (\$'000)
Salim Group - Sale of unsold and returned bread	See Note <sup>(1)</sup>	885
Austral Dairy Group Sdn. Bhd. - Sale of products (cheese)	Entity in which Mr Lam Sing Chung (formerly Mr Andree Halim) and immediate family member of Ms Rachel Liem Yuan Fang have an interest	3,724
Salim Group - Purchase of raw materials including flour	See Note <sup>(1)</sup>	21,405
Austral Dairy Group Sdn. Bhd. - Purchase of finished products (processed cheese)	Entity in which Mr Lam Sing Chung (formerly Mr Andree Halim) and immediate family member of Ms Rachel Liem Yuan Fang have an interest	2,909
	<b>TOTAL</b>	<b>28,923</b>

**Note:**

<sup>(1)</sup> Salim Group refers to Mr Anthoni Salim and the group of companies controlled by him or, if the context requires, Mr Anthoni Salim. Mr Anthoni Salim is an immediate family member of Mr Lam Sing Chung.

14. **Confirmation that the Issuer has procured undertakings from all its Directors and Executive Officers**

The Company confirms that it has procured undertakings from all its directors and executive officers pursuant to Rule 720(1) of the Listing Manual.

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the company's most recently audited financial statements, with comparative information for the immediately preceding year.**

**Segment Information**

(In Singapore Dollars)

	← Continuing operations →			Discontinued operations		Consolidated \$'000
	Bakery \$'000	Distribution & warehousing \$'000	Investments & others \$'000	Primary production \$'000	Adjustments & eliminations \$'000	
<b>Revenue and expenses 2H 2022</b>						
Revenue from external customers	220,648	77,436	3,723	-	-	301,807
Other revenue from external customers	3,128	429	(1)	-	-	3,556
Inter-segment revenue	186	536	8,464	-	(9,186)	-
	<u>223,962</u>	<u>78,401</u>	<u>12,186</u>	-	<u>(9,186)</u>	<u>305,363</u>
Unallocated revenue						1,688
Total revenue						<u>307,051</u>
Segment EBITDA	28,486	4,586	(1,945)	-	-	31,127
Amortisation and depreciation	(11,847)	(1,794)	(163)	-	-	(13,804)
Segment EBIT	<u>16,639</u>	<u>2,792</u>	<u>(2,108)</u>	-	-	<u>17,323</u>
Unallocated revenue						1,688
Unallocated expenses						(7,952)
Profit from operating activities						<u>11,059</u>
Finance costs						(858)
Exceptional items						9,927
Share of losses of joint venture	(1,114)	-	-	-	-	(1,114)
Profit before tax						<u>19,014</u>
Income tax expense						(7,705)
Profit after tax						<u>11,309</u>
<b>Timing of transfer of goods or services</b>						
At a point in time	223,762	75,685	(27)	-	-	299,420
Over time	218	2,211	5,202	-	-	7,631
	<u>223,980</u>	<u>77,896</u>	<u>5,175</u>	-	-	<u>307,051</u>
<b>Revenue and expenses 2H 2021</b>						
Revenue from external customers	217,043	67,029	3,065	208,536	(208,536)	287,137
Other revenue from external customers	2,951	115	43	2,537	(2,537)	3,109
Inter-segment revenue	114	532	7,771	-	(8,417)	-
	<u>220,108</u>	<u>67,676</u>	<u>10,879</u>	<u>211,073</u>	<u>(219,490)</u>	<u>290,246</u>
Unallocated revenue						108
Total revenue						<u>290,354</u>
Segment EBITDA	36,170	2,875	3,287	27,460	(27,460)	42,332
Amortisation and depreciation	(14,402)	(1,696)	(156)	-	-	(16,254)
Segment EBIT	<u>21,768</u>	<u>1,179</u>	<u>3,131</u>	<u>27,460</u>	<u>(27,460)</u>	<u>26,078</u>
Unallocated revenue						108
Unallocated expenses						(7,507)
Profit from operating activities						<u>18,679</u>
Finance costs						(936)
Exceptional items						(3,311)
Share of profits of joint venture	3,387	-	-	-	-	3,387
Profit before tax						<u>17,819</u>
Income tax expense						(3,342)
Profit after tax						<u>14,477</u>
<b>Timing of transfer of goods or services</b>						
At a point in time	219,981	64,978	49	210,956	(210,956)	285,008
Over time	107	2,167	3,072	82	(82)	5,346
	<u>220,088</u>	<u>67,145</u>	<u>3,121</u>	<u>211,038</u>	<u>(211,038)</u>	<u>290,354</u>

**15. Segment Information (cont'd)**  
(In Singapore Dollars)

	← Continuing operations →			Discontinued operations		Consolidated \$'000
	Bakery \$'000	Distribution & warehousing \$'000	Investments & others \$'000	Primary production \$'000	Adjustments & eliminations \$'000	
<b>Revenue and expenses FY 2022</b>						
Revenue from external customers	413,921	148,316	6,944	-	-	569,181
Other revenue from external customers	5,474	622	70	-	-	6,166
Inter-segment revenue	360	1,084	16,525	-	(17,969)	-
	<u>419,755</u>	<u>150,022</u>	<u>23,539</u>	-	<u>(17,969)</u>	<u>575,347</u>
Unallocated revenue						2,176
Total revenue						<u>577,523</u>
Segment EBITDA	50,545	7,820	(1,604)	-	-	56,761
Amortisation and depreciation	(24,781)	(3,462)	(306)	-	-	(28,549)
Segment EBIT	<u>25,764</u>	<u>4,358</u>	<u>(1,910)</u>	-	-	<u>28,212</u>
Unallocated revenue						2,176
Unallocated expenses						(13,817)
Profit from operating activities						<u>16,571</u>
Finance costs						(1,676)
Exceptional items						19,536
Share of profits of joint venture	2,720	-	-	-	-	<u>2,720</u>
Profit before tax						<u>37,151</u>
Income tax expense						(11,147)
Profit after tax						<u>26,004</u>
<b>Timing of transfer of goods or services</b>						
At a point in time	419,369	144,469	72	-	-	563,910
Over time	343	4,472	8,798	-	-	13,613
	<u>419,712</u>	<u>148,941</u>	<u>8,870</u>	-	-	<u>577,523</u>
<b>Revenue and expenses FY 2021</b>						
Revenue from external customers	418,828	127,148	5,869	411,625	(411,625)	551,845
Other revenue from external customers	6,007	704	234	5,143	(5,143)	6,945
Inter-segment revenue	237	1,068	15,263	-	(16,568)	-
	<u>425,072</u>	<u>128,920</u>	<u>21,366</u>	<u>416,768</u>	<u>(433,336)</u>	<u>558,790</u>
Unallocated revenue						186
Total revenue						<u>558,976</u>
Segment EBITDA	65,123	6,437	6,251	46,472	(46,472)	77,811
Amortisation and depreciation	(30,681)	(3,388)	(316)	-	-	(34,385)
Segment EBIT	<u>34,442</u>	<u>3,049</u>	<u>5,935</u>	<u>46,472</u>	<u>(46,472)</u>	<u>43,426</u>
Unallocated revenue						186
Unallocated expenses						(13,823)
Profit from operating activities						<u>29,789</u>
Finance costs						(1,960)
Exceptional items						(3,311)
Share of profits of joint venture	4,223	-	-	-	-	<u>4,223</u>
Profit before tax						<u>28,741</u>
Income tax expense						(6,344)
Profit after tax						<u>22,397</u>
<b>Timing of transfer of goods or services</b>						
At a point in time	424,809	123,386	240	416,606	(416,606)	548,435
Over time	175	4,469	5,897	184	(184)	10,541
	<u>424,984</u>	<u>127,855</u>	<u>6,137</u>	<u>416,790</u>	<u>(416,790)</u>	<u>558,976</u>

15. **Segment Information (cont'd)**  
(In Singapore Dollars)

	← Continuing operations →			Discontinued operations	Consolidated \$'000
	Bakery \$'000	Distribution & warehousing \$'000	Investments & others \$'000	Primary production \$'000	
<b>Assets and liabilities 31 December 2022</b>					
Segment assets	333,941	91,350	164,426	-	589,717
Investment in joint venture and associate	64,312	-	-	-	64,312
<b>Total assets</b>	<b>398,253</b>	<b>91,350</b>	<b>164,426</b>	<b>-</b>	<b>654,029</b>
Deferred tax assets					3,203
Tax recoverable					7,527
<b>Total assets per consolidated statement of financial position</b>					<b>664,759</b>
Segment liabilities	91,544	37,099	7,657	-	136,300
Income tax payable					2,596
Deferred tax liabilities					5,557
Bank borrowings					20,847
<b>Total liabilities per consolidated statement of financial position</b>					<b>165,300</b>
<b>Assets and liabilities 31 December 2021</b>					
Segment assets	349,390	84,206	52,690	306,111	792,397
Investment in joint venture and associate	75,047	-	-	-	75,047
<b>Total assets</b>	<b>424,437</b>	<b>84,206</b>	<b>52,690</b>	<b>306,111</b>	<b>867,444</b>
Deferred tax assets					4,276
Tax recoverable					6,440
<b>Total assets per consolidated statement of financial position</b>					<b>878,160</b>
Segment liabilities	96,087	37,039	17,201	154,229	304,556
Income tax payable					3,236
Deferred tax liabilities					5,002
Bank borrowings					33,038
<b>Total liabilities per consolidated statement of financial position</b>					<b>345,832</b>
<b>Other segment information 2022</b>					
Expenditure for non-current assets	23,558	2,719	414	-	26,691
Allowance for inventories charged and inventories written off, net	714	1,297	-	-	2,011
Allowance for receivables (written-back)/ charged and bad debts written off, net	(121)	109	-	-	(12)
<b>Other segment information 2021</b>					
Expenditure for non-current assets	15,989	1,466	68	12,103	29,626
Allowance for inventories charged/(written-back) and inventories written off, net	183	(107)	-	-	76
Allowance for receivables charged and bad debts written off, net	277	36	-	-	313
One-off stock write-off and impairment loss on property, plant and equipment arising from the severe flooding in Peninsular Malaysia	4,830	-	-	-	4,830

**15. Segment Information (cont'd)**  
(In Singapore Dollars)

	<b>Revenue</b>		<b>Non-current assets</b>	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
Philippines	268,647	242,328	79,707	96,918
Singapore	205,918	185,158	60,928	62,645
Malaysia	51,308	86,942	61,712	57,586
Australia	38,548	450,144	20,431	170,894
Other countries	13,102	11,194	-	-
Less: Disposal group classified as held for sale	-	(416,790)	-	(148,062)
	<u>577,523</u>	<u>558,976</u>	<u>222,778</u>	<u>239,981</u>

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets and intangibles as presented in the consolidated statement of financial position.

**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 refer to Section 8.

**17. A breakdown of sales as follows:**

	<b>Group</b>				
	Continuing operations		Discontinuing operations		+ / (-) %
	2022	2021	2022	2021	
	\$'000	\$'000	\$'000	\$'000	
Revenue reported for first half year	<u>270,472</u>	<u>268,622</u>	<u>-</u>	<u>205,752</u>	(43)
Profit/(loss) after tax before deducting non-controlling interests for the first half year	<u>14,695</u>	<u>7,920</u>	<u>(6,339)</u>	<u>19,945</u>	(70)
Revenue reported for second half year	<u>307,051</u>	<u>290,354</u>	<u>-</u>	<u>211,038</u>	(39)
Profit after tax before deducting non-controlling interests for the second half year	<u>11,309</u>	<u>14,477</u>	<u>-</u>	<u>11,132</u>	(56)

**18. A breakdown of the total annual dividend for the company's latest full year and its previous full year as follows:-**

	Full Year	Full Year
	<u>2022</u>	<u>2021</u>
	\$'000	\$'000
Ordinary dividend	28,763	28,763
Special dividend	11,506	-
Total	<u>40,269</u>	<u>28,763</u>

**19. Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholder**

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, set out below are details of each person occupying a managerial position in the Company and/or its principal subsidiaries who is a relative of a Director or chief executive officer or substantial shareholder of the Company:

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director, CEO and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Lin Kejian	44	Son of Mr Lam Sing Chung (formerly Mr Andree Halim) (Chairman and a controlling shareholder of the Company)	Mr Lin was appointed as Joint Group Managing Director with effect from 1 January 2017.  As Joint Group Managing Director, Mr Lin together with the other Joint Group Managing Director, is responsible for the leadership and overall management of QAF and overall oversight of the QAF group of companies and is tasked to set strategic objectives and implement such objectives to achieve the long-term growth and value creation for the QAF Group.	N.A.

**BY ORDER OF THE BOARD**

Serene Yeo  
Company Secretary  
24 February 2023