Delfi Limited
Unaudited Financial Statements and Dividend Announcement
For the 4th Quarter and Full Year Ended 31 December 2018

TABLE OF CONTENTS

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Group			Group		
		4Q ended 31 December			FY ended 31 December		
		2018	2017 (restated)[a]	Change	**2018**	2017 (restated)[a]	Change
	Notes	**US$'000**	US$'000	%	**US$'000**	US$'000	%
Revenue	2	**107,866**	99,767	8.1	**426,969**	381,296	12.0
Cost of Sales		**(69,400)**	(64,776)	7.1	**(279,051)**	(251,675)	10.9
Gross Profit		**38,466**	34,991	9.9	**147,918**	129,621	14.1
Other operating income	3	**642**	62	935.5	**3,309**	6,223	(46.8)
Expenses							
Selling and distribution costs		**(19,892)**	(21,204)	(6.2)	**(83,088)**	(76,563)	8.5
Administrative expenses		**(8,126)**	(5,296)	53.4	**(25,911)**	(20,223)	28.1
Finance costs		**(663)**	(726)	(8.7)	**(2,900)**	(2,982)	(2.7)
Other operating expenses	4	**(314)**	(68)	361.8	**(1,169)**	(578)	102.2
Exceptional items	5	**(1,281)**	(958)	33.7	**(2,136)**	(2,011)	6.2
Share of profit/(loss) of associated companies and joint ventures	6	**113**	(118)	NM	**(67)**	(506)	(86.8)
Profit before income tax		**8,945**	6,683	33.8	**35,956**	32,981	9.0
Income tax expense	7	**(4,814)**	(4,259)	13.0	**(15,096)**	(13,298)	13.5
Total profit	8	**4,131**	2,424	70.4	**20,860**	19,683	6.0
Profit/(loss) attributable to:							
Equity holders of the Company		**4,132**	2,425	70.4	**20,862**	19,685	6.0
Non-controlling interest		**(1)**	(1)	-	**(2)**	(2)	-
		4,131	2,424	70.4	**20,860**	19,683	6.0
EBITDA		**13,409**	11,148	20.3	**51,259**	44,385	15.5
Earnings per ordinary share (US cents)							
- Basic and Diluted[b]							
- Exclude exceptional & non-recurring items[c]		**0.89**	0.55	60.0	**3.76**	2.84	32.7
- Include exceptional & non-recurring items[c]		**0.68**	0.40	70.4	**3.41**	3.22	6.0
Return on equity							
- Include exceptional & non-recurring items[c]					**10.2%**	9.8%[d]	0.4 pt
- Exclude exceptional & non-recurring items[c]					**11.2%**	8.6%[d]	2.6 pt

Notes

a. Please see Note 1.

b. As there are no potentially dilutive ordinary shares, diluted Earnings per share (EPS) is the same as basic Earnings per Share. EPS is calculated by dividing the net profit attributable to shareholders of the Company by the number of shares of 611,157,000.

c. Computed based on Net Profit excluding the exceptional charges in FY2017 and FY2018 and the US$4.4 million after tax gain from disposal of an associated company in FY2017. Please see Note 3 and 5.

d. Computed based on a restatement of FY2017 audited figures.

NM - Not meaningful.

Explanatory Notes on Income Statement

Note 1 - Reconciliation of the Group's FY2017 Income Statement reported

Below is a summary of the line items adjusted in the Group's income statement for the financial year ended 31 December 2017.

For Financial Year ended 31 December 2017	Reported under SFRS	(a) Effects of applying new accounting standards	(b) Retrospective adjustment in relation to correction of errors	**Reported under SFRS(I)**
	US$'000	US$'000	US$'000	**US$'000**
Sales	380,910	386	-	**381,296**
Cost of sales	250,917	290	468	**251,675**
Selling and distribution costs	76,545	18	-	**76,563**
Exceptional items	-	-	2,011	**2,011**
Income tax expense	13,277	21	-	**13,298**

(a) As required by the listing requirements of the Singapore Exchange, the Group has adopted the Singapore Financial Reporting Standards (International) ("SFRS(I)") on 1 January 2018. The adoption of SFRS(I) 1 requires a full retrospective application of all accounting policies. Please refer to paragraph 4(a) to 4(c) on page 19 and page 20.

(b) The discovery of a number of improper & unsubstantiated transactions in the Philippines (please see Note 5 on page 5) resulted in the recognition of exceptional charges in the current year, with the comparative figures for the year 2017 restated to reflect the extent that earlier periods were affected.

Note 2 - Revenue

(a) Information is based on the location of the markets in which the Group operates.

	4Q ended 31 December			**FY ended 31 December**		
	2018	2017 (restated)[a]	Change	**2018**	2017 (restated)[a]	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Indonesia	**76,593**	70,369	8.8	**305,743**	271,007	12.8
Regional Markets	**31,273**	29,398	6.4	**121,226**	110,289	9.9
	107,866	99,767	8.1	**426,969**	381,296	12.0

Note 2- Revenue (continued)

(b) Breakdown of Sales

	4Q ended 31 December			FY ended 31 December		
	2018	2017 (restated)[a]	Change	**2018**	2017 (restated)[a]	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Own Brands	**73,551**	66,642	10.4	**281,341**	242,623	16.0
Agency Brands	**34,315**	33,125	3.6	**145,628**	138,673	5.0
	107,866	99,767	8.1	**426,969**	381,296	12.0

In April 2018, the Company acquired the exclusive and perpetual license and associated rights to the "Van Houten" brand name for consumer chocolate and consumer cocoa products for key markets in Asia Pacific from Hershey Singapore Pte Ltd (part of The Hershey Company). In 4Q and FY2018, Van Houten contributed US$3.5 million and US$9.6 million to the Group's Own Brands sales. Prior to the acquisition, Van Houten was classified as an Agency Brand in Indonesia. Please see Note 2 on page 9.

Note 3 - Other Operating Income

Included in FY2017's other operating income was the non-recurring pre-tax gain of US$4.6 million (after deducting fees and other charges) recognized on completion of the divestment of the Group 50% stake in PT Ceres Meiji Indotama ("CMI") for US$8.3 million on 10 May 2017.

Note 4 - Other Operating Expense

In 4Q and FY2018, one of the Company's subsidiaries in Indonesia recognized charges of US$0.3 million and US$1.0 million resulting from various tax and custom duty audits.

Note 5 - Exceptional Items

In June 2018, the Group discovered improper transactions in one of its wholly owned subsidiaries, Delfi Marketing, Inc. ("***DMI***") in the Philippines. Immediately on becoming aware of these transactions apparently carried out by certain employees, DMI subjected these employees to administrative disciplinary proceedings, and imposed sanctions, including dismissal. The Group also carried out an internal investigation assisted by Ernst & Young Advisory Pte Ltd and assigned a team from head office to take over the leadership of DMI's finance function. With assistance from Delfi's internal auditors and a professional accounting firm, the Group completed a thorough review of DMI's financials in 4Q 2018 and is in the process of restructuring DMI's finance function and tightening its systems control and operating procedures.

The forensic investigation into these activities resulted in the identification of improper transactions between 2013 and 2018 amounting to Philippine Peso 165.0 million (equivalent to US$3.1 million). In addition, a thorough review of DMI's financials identified unsubstantiated transactions over this same period totaling Philippine Peso 107.0 million (equivalent to US$2.1 million). The improper and unsubstantiated transactions identified totaled US$5.2 million (FY2018: US$1.5 million; FY2017: US$2.0 million; and from FY2013-2016: US$1.6 million).

For the period under review, the Group recognized an exceptional charge for the improper and unsubstantiated transactions pertaining to 2018 of US$1.3 million and US$2.1 million in 4Q and FY2018 respectively. Included in the exceptional charge are professional fees incurred for the investigation and financial review carried out amounting to US$0.2 million and US$0.6 million for 4Q and FY2018 respectively. The Group's 4Q and FY2017 income statement have also been restated to record an exceptional charge of US$1.0 million and US$2.0 million respectively for the improper and unsubstantiated transactions uncovered pertaining to the year 2017 (see Note 1 on page 3).

From a Balance Sheet perspective, the Group's retained earnings as at 31 December 2017 and 1 January 2017 were adjusted accordingly (see Note 1 on page 8).

For the improper transactions, the Company engaged law firms, Angara Abello Concepcion Regala & Cruz and Poblador, Bautista & Reyes in the Philippines, to pursue legal action and all remedies available. The matter is now in the hands of the lawyers. For the unsubstantiated transactions, the Company will carry out further investigations, assisted by an independent forensics & disputes advisory firm.

Note 6 - Share of Loss of Associated Company and Joint Ventures

In FY2017, the Company paid US$0.6 million for its share of the liquidation cost, as part of an agreement with partners Cemoi Group and Bloomer Chocolate Company, that will lead to the winding down of the PACTS ("Processors Alliance for Cocoa Traceability and Sustainability") programme.

Note 7 - Income Tax Expense

The Group's higher effective tax rates for 4Q and FY2018 reflected expenses which were not tax deductible such as the exceptional loss and penalties incurred, and deferred tax assets not recognized. A withholding tax of US$1.0 million and US$3.1 million was also recognized on dividend and royalty income from its Indonesia entities for 4Q and FY2018 (4Q and FY2017: US$0.7 million and US$2.4 million). In FY2017, the gain on sale of CMI was exempted from tax in Singapore.

Note 8 - Net Profit

Net Profit is derived after (deducting)/crediting the following:

		4Q ended 31 December			FY ended 31 December		
		2018	2017 (restated)[a]	Change	**2018**	2017 (restated)[a]	Change
	Notes	**US$'000**	US$'000	%	**US$'000**	US$'000	%
Depreciation of property, plant and equipment		**(2,450)**	(2,708)	(9.5)	**(10,419)**	(10,982)	(5.1)
Amortization of intangible assets	1	**(377)**	(232)	62.5	**(1,072)**	(346)	209.8
Net foreign exchange (loss)/gain		**(312)**	(118)	164.4	**730**	(192)	NM
Group under provision of tax in prior years		**(379)**	(275)	37.8	**(759)**	(756)	0.4
Gain/(loss) on disposal of property, plant and equipment		**64**	(25)	NM	**231**	180	28.3
Impairment loss[a] on trade receivables	2	**(389)**	(712)	(45.4)	**(349)**	(657)	(46.9)
Inventories written-off	3	**(331)**	(704)	(53.0)	**(2,022)**	(2,325)	(13.0)
Write-back/(allowance made) for inventory obsolescence	3	**23**	(641)	NM	**(714)**	(2,140)	(66.6)

[a] Impairment loss included the effects of adoption of SFRS(I) 9 - see paragraph 4 on page 19.

Notes

1. The higher amortization of intangible assets is attributable to the completion of the implementation of the SAP Enterprise Resource Planning (ERP) system in all of the Group's subsidiaries.
2. In 4Q and FY2018, the Group recognized an additional impairment charge of US$0.4 million due to a decline in the appraised value of collateral from a disengaged distributor in Indonesia (4Q 2017 and FY2017: US$0.7 million).
3. With the rationalization of lower performing Agency Brands and Own Brands SKU's completed in 2017, total inventories written-off and allowance for inventory obsolescence for 4Q and FY2018 was lower Y-o-Y by US$1.0 million and US$1.7 million respectively.

NM - Not meaningful.

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

		Group			Company		
		31-Dec-18	31-Dec-17 (restated)[a]	1-Jan-17 (restated)[a]	**31-Dec-18**	31-Dec-17	1-Jan-17
	Notes	**US$'000**	US$'000	US$'000	**US$'000**	US$'000	US$'000
ASSETS							
Current assets							
Cash and cash equivalents	2	**54,708**	67,368	67,737	**44,612**	58,894	60,030
Derivative assets		**-**	-	4	**-**	-	-
Trade receivables	3	**72,446**	59,812	61,529	**2,144**	1,110	1,337
Loans to subsidiaries		**-**	-	-	**-**	600	700
Loans to joint ventures		**60**	60	-	**60**	60	-
Inventories	3	**76,215**	65,087	54,685	**-**	-	-
Contract assets		**2,083**	2,710	2,979	**-**	-	-
Tax recoverable		**1,309**	1,004	5,792	**-**	-	-
Other current assets		**12,253**	15,808	12,697	**2,926**	4,034	888
		219,074	211,849	205,423	**49,742**	64,698	62,955
Non-current assets							
Investments in subsidiaries	4	**-**	-	-	**40,992**	35,935	35,935
Investments in associated companies and joint venture		**3,764**	3,830	2,769	**3,900**	3,900	3,000
Loans to associated company and joint venture		**881**	930	932	**-**	-	-
Property, plant and equipment	5	**109,383**	123,113	126,768	**567**	751	905
Intangible assets	2,5	**22,285**	8,564	5,243	**17,659**	4,543	5,167
Deferred income tax assets		**1,343**	1,746	1,306	**-**	-	-
Other non-current assets		**4,388**	2,698	3,173	**-**	-	-
		142,044	140,881	140,191	**63,118**	45,129	45,007
Total Assets		**361,118**	352,730	345,614	**112,860**	109,827	107,962
LIABILITIES							
Current liabilities							
Trade payables		**34,626**	31,254	34,689	**1,917**	1,075	332
Contract liabilities		**3,457**	4,374	4,689	**-**	-	-
Other payables		**43,228**	44,713	39,278	**3,288**	3,693	4,086
Current income tax liabilities		**2,011**	1,506	1,382	**-**	-	-
Derivative liabilities		**57**	143	91	**57**	82	91
Borrowings	6	**58,834**	47,136	44,197	**100**	104	95
		142,213	129,126	124,326	**5,362**	4,954	4,604
Non-current liabilities							
Borrowings	6	**171**	5,064	9,578	**153**	172	190
Deferred income tax liabilities		**810**	1,291	1,628	**-**	-	-
Provisions for other liabilities and charges		**11,677**	12,940	11,654	**-**	-	-
		12,658	19,295	22,860	**153**	172	190
Total liabilities		**154,871**	148,421	147,186	**5,515**	5,126	4,794
NET ASSETS		**206,247**	204,309	198,428	**107,345**	104,701	103,168
Capital and reserves attributable to the Company's equity holders							
Share capital		**95,936**	95,936	95,936	**95,936**	95,936	95,936
Foreign currency translation reserve		**(10,042)**	318	-	**-**	-	-
Other reserves		**2,580**	1,010	1,760	**-**	-	-
Retained earnings		**117,656**	106,923	100,618	**11,409**	8,765	7,232
		206,130	204,187	198,314	**107,345**	104,701	103,168
Non controlling interest		**117**	122	114	**-**	-	-
Total equity		**206,247**	204,309	198,428	**107,345**	104,701	103,168

a Please see Note 1.

Explanatory Notes on Statement of Financial Position

Note 1 - Reconciliation of the Group's balance sheet reported

A summary of adjustments made to the line items on the Group's balance sheet as of 31 December 2017 and 1 January 2017 are as follows:

As at 1 January 2017	Reported under SFRS	(a) Effects of applying new accounting standards	(b) Retrospective adjustment in relation to correction of errors	Reported under SFRS(I)
	US$'000	US$'000	US$'000	**US$'000**
Trade receivables	61,756	(227)	-	**61,529**
Contract assets	-	2,979	-	**2,979**
Deferred tax assets	775	531	-	**1,306**
Contract liabilities	-	4,689	-	**4,689**
Other payables	37,820	-	1,458	**39,278**
Foreign currency translation reserve	(60,228)	60,092	136	**-**
Retained earnings	163,710	(61,498)	(1,594)	**100,618**

As at 31 December 2017	Reported under SFRS	(a) Effects of applying new accounting standards	(b) Retrospective adjustment in relation to correction of errors	Reported under SFRS(I)
	US$'000	US$'000	US$'000	**US$'000**
Trade receivables	60,025	(213)	-	**59,812**
Contract assets	-	2,710	-	**2,710**
Other current assets	17,191	-	(1,383)	**15,808**
Deferred tax assets	1,234	512	-	**1,746**
Contract liabilities	-	4,374	-	**4,374**
Trade payables	30,593	-	661	**31,254**
Other payables	42,799	-	1,914	**44,713**
Foreign currency translation reserve	(59,873)	60,077	114	**318**
Retained earnings	172,437	(61,441)	(4,073)	**106,923**

(a) Please refer to paragraph 4(a) to 4(c) on page 19 and page 20.

(b) Please see paragraph 1(a) Note 5 on page 5.

Note 2 - Cash and Intangible Assets

On 13 April 2018, the Company acquired for US$13.0 million the perpetual and exclusive licence and associated rights to the “Van Houten” brand name for consumer chocolate and consumer cocoa products for markets in Asia Pacific (excluding Korea, India and the Middle East).

Currently, the main markets for the Van Houten consumer chocolate and cocoa products are Indonesia, Thailand, Malaysia, and Singapore with a small presence in the Philippines and Vietnam. Prior to the acquisition, the Group’s wholly owned subsidiary, PT Perusahaan Industri Ceres, had been the sub-licensee for the Van Houten brand in Indonesia for the past nine years.

The acquisition will be an opportunity to strengthen our portfolio and will open up opportunities for growth outside our Regional Markets.

Included in intangible assets is the cost of the SAP Enterprise Resource Planning system implemented. As at end 3Q 2018, the Group completed the implementation of the SAP platform for all its subsidiaries.

Note 3 - Trade Receivables and Inventories

Compared to end-2017, trade receivables and inventories were higher by US$12.6 million and US$11.1 million respectively. The higher receivables balance can be attributed to increased sales to the minimarket retail channel which carry longer settlement terms. Over the course of FY2018, the Group took over from its Regional Distributors the distribution function to its Modern Trade customers’ distribution centres in Java, Indonesia. This direct distribution initiative resulted in increased service levels to these Modern Trade customers.

Along with the change to the direct shipment model to the minimarkets, the Group increased its inventories level in Indonesia during 4Q 2018 to prepare for the run-up to the Valentine’s Day celebrations and the Lebaran festivities in 2019. This is to ensure that core Own Brands and Agency Brands products are always made available to meet the orders from both General Trade and Modern Trade channels on a timely basis during the festive periods in 1H 2019.

Note 4 - Investments in Subsidiaries

In December 2018, the Company increased its share capital in DMI by PHP 270.0 million (US$5.1 million) by subscribing for an additional 2,700,000 ordinary shares with a par value of PHP 100 each. The consideration was paid in cash and funded through the Company’s internal resources.

Note 5 - Capital Expenditure on Property, Plant and Equipment and Intangible Assets (Software)

The allocation of capital expenditure for 4Q and FY2018 by geographical region is as follows:

	4Q 2018	4Q 2017	**FY2018**	FY2017
	US$'000	US$'000	**US$'000**	US$'000
Indonesia	**611**	1,714	**2,988**	9,647
Regional Markets	**893**	822	**3,534**	2,168
	1,504	2,536	**6,522**	11,815

The increase in capital expenditure for the Regional Markets in FY2018 is due mainly to the completion of the Group's implementation of its SAP platform (see Note 2 on page 9).

Note 6 - Borrowings

	Group		**Company**	
	31-Dec-18	31-Dec-17	**31-Dec-18**	31-Dec-17
	US$'000	US$'000	**US$'000**	US$'000
Bank overdraft	**16,494**	16,963	**-**	-
Bank borrowings	**28,414**	24,310	**-**	-
Finance lease liabilities	**313**	547	**253**	276
Trade finance	**13,784**	10,380	**-**	-
	59,005	52,200	**253**	276
Breakdown of borrowings:				
Current	**58,834**	47,136	**100**	104
Non-current	**171**	5,064	**153**	172
	59,005	52,200	**253**	276

The increase in bank borrowings was used mainly to fund the higher trade receivables and inventories in Indonesia (see Note 3 above).

Note 7 - Key Ratios

	31-Dec-18	31-Dec-17 (restated)
Current ratio	**1.54**	1.64
Average inventory days	**92**	87
Average receivable days	**57**	58
Average payable days	**43**	48
Return on equity	**10.2%**	9.8%

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify 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) the amount repayable in one year or less, or on demand
(b) the amount repayable after one year;
(c) whether the amounts are secured or unsecured; and
(d) details of any collaterals.

Aggregate amount of the group's borrowings and debt securities

	Group		Company	
	31-Dec-18	31-Dec-17	**31-Dec-18**	31-Dec-17
	US$'000	US$'000	**US$'000**	US$'000
Amount repayable in one year or less, or on demand				
- Secured	**18,194**	12,411	**100**	104
- Unsecured	**40,640**	34,725	**-**	-
	58,834	47,136	**100**	104
Amount repayable after one year				
- Secured	**171**	219	**153**	172
- Unsecured	**-**	4,845	**-**	-
	171	5,064	**153**	172

Details of collateral

Of the Group's total bank borrowings as at 31 December 2018, US$18.4 million (2017: US$12.6 million) are secured on inventories, property, plant and equipment and building of certain subsidiaries of 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.

	Notes	Year ended 31-Dec-18 US$'000	Year ended 31-Dec-17 (restated) US$'000
Cash flows from operating activities			
Total profit		**20,860**	19,683
Adjustments:			
Income tax expense		**15,096**	13,298
Depreciation and amortization		**11,491**	11,328
Gain on disposal of property, plant and equipment		**(231)**	(180)
Exceptional items	Para 1(a) Note 5	**2,136**	2,011
Interest income		**(1,224)**	(948)
Interest expense		**2,900**	2,982
Fair value gain on derivatives		**(86)**	56
Gain on sale of associated company		**-**	(4,629)
Share of loss from associated company and joint ventures	Para 1(a) Note 3	**67**	506
Operating cash flow before working capital changes		**51,009**	44,107
Change in working capital			
Inventories		**(11,128)**	(10,402)
Trade and other receivables		**(10,769)**	(744)
Contract assets		**627**	269
Trade and other payables		**(1,886)**	2,376
Contract liabilities		**(917)**	(315)
Exceptional loss	Para 1(a) Note 5	**(2,136)**	(2,011)
Cash generated from operations		**24,800**	33,280
Interest received		**1,224**	948
Income tax paid	1	**(15,386)**	(9,010)
Net cash provided by operating activities		**10,638**	25,218
Cash flows from investing activities			
Purchases of property, plant and equipment	2	**(4,415)**	(8,216)
Investment in joint ventures		**-**	(3,900)
Purchases of intangible assets	Para 1(b)(i) Note 2	**(15,085)**	(3,563)
Loan to a joint venture		**-**	(60)
Payment for liquidation of a joint venture		**-**	(660)
Proceeds from disposal of associated company, net of transaction cost paid	Para 1(a) Note 3	**-**	8,197
Proceeds from disposal of property, plant and equipment		**240**	240
Net cash used in investing activities		**(19,260)**	(7,962)
Cash flows from financing activities			
Proceeds from bank borrowings		**16,467**	12,974
Proceeds from trade finance		**3,404**	4,466
Repayment of bank borrowings		**(10,902)**	(12,612)
Repayment of lease liabilities		**(324)**	(841)
Interest paid		**(2,900)**	(2,982)
Dividends paid to equity holders of company		**(10,059)**	(13,306)
Net cash used in financing activities		**(4,314)**	(12,301)
Net (decrease)/increase in cash and cash equivalents		**(12,936)**	4,955
Cash and cash equivalents			
Beginning of financial year		**50,405**	45,235
Effects of currency translation on cash and cash equivalents		**745**	215
End of financial year		**38,214**	50,405

Notes

1 In FY2017, one of the Company's Indonesian subsidiaries received a tax refund of IDR 62.0 billion (US$4.6 million).

2 In FY2018, the amount excludes addition of property, plant and equipment of US$0.1 million (FY2017: US$0.1 million) that were financed by lease liabilities.

For the purpose of presenting the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Year ended	
	31-Dec-18	31-Dec-17
	US$'000	US$'000
Cash and bank balances	**12,477**	14,966
Short term deposits	**42,231**	52,402
Total cash or cash equivalents	**54,708**	67,368
Less: Bank overdrafts	**(16,494)**	(16,963)
	38,214	50,405

Reconciliation of liabilities arising from financing activities

				Non-cash changes		
	2017	**Repayment**	**Proceeds**	**Additions**	**Foreign exchange movement**	**2018**
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Bank borrowings	24,310	(10,902)	16,467	-	(1,461)	28,414
Lease liabilities	547	(324)	-	108	(18)	313
Trade finance	10,380	-	3,404	-	-	13,784

				Non-cash changes		
	2016	**Repayment**	**Proceeds**	**Additions**	**Foreign exchange movement**	**2017**
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Bank borrowings	24,088	(12,612)	12,974	-	(140)	24,310
Lease liabilities	1,271	(841)	-	84	33	547
Trade finance	5,914	-	4,466	-	-	10,380

Consolidated Statement of Comprehensive Income

	4Q ended 31 December		FY ended 31 December	
	2018	2017 (restated)	**2018**	2017 (restated)
	US$'000	US$'000	**US$'000**	US$'000
Profit for the period	**4,131**	2,424	**20,860**	19,683
Other comprehensive income/(loss):				
Items that may be reclassified to profit or loss:				
Foreign currency translation reserve				
- Currency translation differences arising from consolidation	**4,461**	12	**(10,363)**	328
	4,461	12	**(10,363)**	328
Items that will not be reclassified to profit or loss:				
Defined pension benefits obligation				
- Remeasurements of defined pension benefits obligation	**2,060**	(1,065)	**2,060**	(1,072)
- Tax on remeasurements	**(532)**	257	**(532)**	259
- Share of other comprehensive loss of associated company	**-**	(2)	**(28)**	(11)
	1,528	(810)	**1,500**	(824)
Other comprehensive income/(loss), net of tax	**5,989**	(798)	**(8,863)**	(496)
Total comprehensive income for the year	**10,120**	1,626	**11,997**	19,187
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	**10,120**	1,624	**12,002**	19,179
Non-controlling interest	**-**	2	**(5)**	8
	10,120	1,626	**11,997**	19,187

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

	Attributable to equity holders of the Company							
	Share capital	Foreign currency translation reserve	General reserve	Defined pension benefits obligation	Retained earnings	Total	Non-controlling interest	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
The Group								
9M 2018								
Balance as at 31 December 2017	95,936	(59,873)	2,296	(1,286)	172,437	209,510	122	209,632
Adoption of SFRS(I) - see paragraph 4	-	60,077	-	-	(61,441)	(1,364)	-	(1,364)
Retrospective adjustment in relation to correction of error[1]	-	114	-	-	(4,073)	(3,959)	-	(3,959)
Balance as at 1 January 2018	95,936	318	2,296	(1,286)	106,923	204,187	122	204,309
Profit/(loss) for the period	-	-	-	-	16,730	16,730	(1)	16,729
Other comprehensive loss for the period	-	(14,820)	-	(28)	-	(14,848)	(4)	(14,852)
Final dividend relating to 2017	-	-	-	-	(3,545)	(3,545)	-	(3,545)
Interim dividend relating to 2018	-	-	-	-	(6,514)	(6,514)	-	(6,514)
Balance at 30 September 2018	95,936	(14,502)	2,296	(1,314)	113,594	196,010	117	196,127
4Q 2018								
Balance at 1 October 2018	95,936	(14,502)	2,296	(1,314)	113,594	196,010	117	196,127
Profit/(loss) for the period	-	-	-	-	4,132	4,132	(1)	4,131
Other comprehensive income for the period	-	4,460	-	1,528	-	5,988	1	5,989
Transfer to general reserve	-	-	70	-	(70)	-	-	-
Balance at 31 December 2018	95,936	(10,042)	2,366	214	117,656	206,130	117	206,247

[1] Please refer to para 1(a) Note 5 on page 4 and para 1(b) Note 1 on page 8.

	Attributable to equity holders of the Company							
	Share capital	Foreign currency translation reserve	General reserve	Defined pension benefits obligation	Retained earnings	Total	Non-controlling interest	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
The Group								
9M 2017								
Balance at 31 December 2016	95,936	(60,228)	2,222	(462)	163,710	201,178	114	201,292
Adoption of SFRS(I) - see paragraph 4	-	60,092	-	-	(61,498)	(1,406)	-	(1,406)
Retrospective adjustment in relation to correction of error[1]	-	136	-	-	(1,594)	(1,458)	-	(1,458)
Balance as at 1 January 2017	95,936	-	2,222	(462)	100,618	198,314	114	198,428
Profit/(loss) for the period	-	-	-	-	17,260	17,260	(1)	17,259
Total comprehensive income/(loss) for the period	-	309	-	(14)	-	295	7	302
Final dividend relating to 2016	-	-	-	-	(5,806)	(5,806)	-	(5,806)
Interim dividend relating to 2017	-	-	-	-	(7,500)	(7,500)	-	(7,500)
Balance at 30 September 2017	95,936	309	2,222	(476)	104,572	202,563	120	202,683
4Q 2017								
Balance at 1 October 2017	95,936	309	2,222	(476)	104,572	202,563	120	202,683
Profit/(loss) for the period	-	-	-	-	2,425	2,425	(1)	2,424
Other comprehensive income/(loss) for the period	-	9	-	(810)	-	(801)	3	(798)
Transfer to general reserve	-	-	74	-	(74)	-	-	-
Balance at 31 December 2017	95,936	318	2,296	(1,286)	106,923	204,187	122	204,309

[1] Please refer to para 1(a) Note 5 on page 5 and para 1(b)(i) Note 1 on page 8.

Statement of Changes in Equity for the Company

	Attributable to equity holders of the Company		
	Share capital	**Retained earnings**	**Total equity**
	US$'000	US$'000	US$'000
The Company			
9M 2018			
Balance as at 31 December 2017	95,936	8,765	104,701
Profit for the period	-	7,244	7,244
Final dividend relating to 2017	-	(3,545)	(3,545)
Interim dividend relating to 2018	-	(6,514)	(6,514)
Balance at 30 September 2018	95,936	5,950	101,886
4Q 2018			
Balance at 1 October 2018	95,936	5,950	101,886
Profit for the period	-	5,459	5,459
Balance at 31 December 2018	95,936	11,409	107,345

The Company			
9M 2017			
Balance at 1 January 2017	95,936	7,232	103,168
Profit for the period	-	10,441	10,441
Final dividend relating to 2016	-	(5,806)	(5,806)
Interim dividend relating to 2017	-	(7,500)	(7,500)
Balance at 30 September 2017	95,936	4,367	100,303
4Q 2017			
Balance at 1 October 2017	95,936	4,367	100,303
Profit for the period	-	4,398	4,398
Balance at 31 December 2017	95,936	8,765	104,701

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

For 4Q and Full Year ended 31 December 2018, there was no change in the Company's issued and paid up share capital**.**

The Company has not issued any convertibles nor holds any treasury shares. There is no subsidiary holdings held against the total number of shares outstanding in a class that is listed.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares is 611,157,000.

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

Not applicable - See para 1(d)(ii) above.

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

Not applicable - See para 1(d)(ii) above.

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

Not applicable.

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

As required by the listing requirements of the Singapore Exchange, the Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") on 1 January 2018. These financial statements for the year ended 31 December 2018 are the first set of financial information prepared under SFRS(I)s. The Group's previously issued financial statements for periods up to and including the financial year ended 31 December 2017 were prepared in accordance to Singapore Financial Reporting Standard ("SFRS").

In adopting SFRS(I) on 1 January 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. Under SFRS(I) 1, these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 1 January 2018. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under the Standard.

The Group's opening balance sheet under SFRS(I) has been prepared as at 1 January 2017, which is the Group's date of transition to SFRS(I) ("date of transition"). The effects of transition from SFRS to SFRS(I) mainly arise from the optional exemptions provided for under SFRS(I) 1 and the adoption of SFRS(I) 15 *Revenue from Contracts with Customers* and SFRS(I) 9 *Financial Instruments*.

(a) Application of SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*

The Group has elected to deem the cumulative translation differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 January 2017. As a result, the foreign currency translation reserve and retained earnings as at 31 December 2017 and 1 January 2017 were both reduced by US$60.1 million respectively to reflect the translation losses that arose before the date of transition being excluded.

(b) Adoption of SFRS(I) 9 *Financial Instruments*

The Group has elected to apply the short-term exemption under SFRS(I) 1 to adopt SFRS(I) 9 on 1 January 2018. Accordingly, requirements of SFRS 39 Financial Instruments: Recognition and Measurement will continue to apply to financial instruments up to the financial year ended 31 December 2017.

(i) Classification and measurement

The Group has assessed the business models that are applicable on 1 January 2018 to financial assets so as to classify them into the appropriate categories under SFRS(I) 9. There were no adjustments made to the Group's balance sheet line items.

(ii) Impairment of financial assets

The following financial assets are subject to the expected credit loss impairment model under SFRS(I) 9:

- Trade receivables and contract assets recognized under SFRS(I) 15; and
- Loans to related parties and other receivables at amortized cost.

The Group applied the practical expedient approach provided under SFRS(I) 9, which requires the Group to recognize an expected lifetime credit loss from initial recognition of its trade receivables. The adoption of SFRS(I) 9 does not have a material impact on the Group's financial statements.

Arising from these adjustments, retained earnings as at 1 January 2017 will be reduced by US$0.2 million (net of tax US$0.07 million) and retained earnings as at 31 December 2017 will be increased by US$0.01 million (net of tax US$0.01 million) respectively with the recognition of impairment loss on trade receivables.

(c) Adoption of SFRS(I) 15 *Revenue from Contracts with Customers*

In accordance with the requirements of SFRS(I) 1, the Group has adopted SFRS(I) 15 retrospectively.

The Group is in the business of marketing and distribution of chocolate, chocolate confectionery and consumer products. There are customers who have rights to return goods to the Group.

Under SFRS(I) 15, the Group recognizes a contract liability (or refund liability) on its sales when a customer has a right to return the products and a contract asset for products expected to be returned. The contract liability also represents the amount of consideration that the Group does not expect to be entitled to because it will be credited to customers. The contract liability is re-measured at each reporting date to reflect changes in the estimate, with a corresponding adjustment to revenue.

The Group recognizes a contract asset for the Group's right to recover goods from its customers. The asset is initially measured at the carrying amount of the goods at the time of sale, less any expected costs to recover the goods and any expected reduction in value, with a corresponding adjustment to cost of sales and deferred tax.

Arising from these adjustments, retained earnings as at 1 January 2017 will be reduced by US$1.3 million (net of tax of US$0.5 million) and retained earnings as at 31 December 2017 will be increased by US$0.05 million (net of tax of US$0.01 million) respectively with the recognition of the contract assets and liabilities and corresponding deferred tax asset.

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.

Please refer to paragraph 4.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

		4Q ended 31 December		FY ended 31 December	
		2018	2017 (restated)	**2018**	2017 (restated)
(i)	Based on weighted average number of ordinary shares in issue - (US cents)				
	- Exclude exceptional & non-recurring items[3]	**0.89**	0.55	**3.76**	2.84
	- Include exceptional & non-recurring items[3]	**0.68**	0.40	**3.41**	3.22
(ii)	On a fully diluted basis - (US cents)				
	- Exclude exceptional & non-recurring items[3]	**0.89**	0.55	**3.76**	2.84
	- Include exceptional & non-recurring items[3]	**0.68**	0.40	**3.41**	3.22

Notes

1. Basic Earnings per Share is computed based on 611,157,000 shares.
2. There are no potentially dilutive ordinary shares as at 31 December 2018 and 31 December 2017 respectively.
3. Please refer to paragraph 1(a) Note 3 on page 4 and Note 5 on page 5 respectively.

7. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:

(a) current period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31-Dec-18	31-Dec-17 (restated)	**31-Dec-18**	31-Dec-17
Net asset value per ordinary share based on issued share capital - (US cents)	**33.7**	33.4	**17.6**	17.1

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

(a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Key Figures for the Group (unaudited)

	4Q ended 31 December			FY ended 31 December		
	2018	2017 (restated)	%	**2018**	2017 (restated)	%
	US$'000	US$'000	In USD term	**US$'000**	US$'000	In USD term
Indonesia	**76,593**	70,369	8.8	**305,743**	271,007	12.8
Regional Markets	**31,273**	29,398	6.4	**121,226**	110,289	9.9
REVENUE	**107,866**	99,767	8.1	**426,969**	381,296	12.0
Indonesia	**15,823**	12,167	30.0	**53,489**	46,639	14.7
Regional Markets	**(2,414)**	(1,019)	136.9	**(2,230)**	(2,254)	(1.0)
EBITDA	**13,409**	11,148	20.3	**51,259**	44,385	15.5
Profit before tax and exceptional & non-recurring items[2]	**10,226**	7,646	33.7	**38,092**	30,363	25.5
Exceptional & non-recurring items	**(1,281)**	(963)	(33.0)	**(2,136)**	2,618	NM
Profit before tax	**8,945**	6,683	33.8	**35,956**	32,981	9.0
Net profit attributable to shareholders before exceptional & non-recurring items	**5,413**	3,384	60.0	**22,998**	17,330	32.7
Profit attributable to shareholders	**4,132**	2,425	70.4	**20,862**	19,685	6.0

Key performance indicators

	4Q ended 31 December			FY ended 31 December		
	2018	2017	Change	**2018**	2017	Change
Gross profit margin	**35.7%**	35.1%	0.6% pt	**34.6%**	34.0%	0.6% pt

Notes:

1 The Group used the following average exchange rate(s) in translating the income statements of its subsidiaries into USD terms.

Average FX rates for 4Q and FY ended 31 December 2018

USD 1 to	Indonesian Rupiah (IDR)	Malaysian Ringgit (MYR)	Singapore Dollar (SGD)	Philippines Peso (PHP)
4Q 2018	14,832	4.1674	1.3747	53.4883
4Q 2017	13,526	4.1814	1.3563	51.0790
Strengthened/(Weakened) Y-o-Y	*(9.66%)*	*0.33%*	*(1.36%)*	*(4.72%)*
FY 2018	14,190	4.0293	1.3473	52.5769
FY 2017	13,389	4.3157	1.3840	50.4254
Strengthened/(Weakened) Y-o-Y	*(5.98%)*	*6.64%*	*2.65%*	*(4.27%)*

2 Please refer to Note 3 on page 4 and Note 5 on page 5 for details of the exceptional & non-recurring items.

Review of the Group’s 4Q and FY2018 Financial Performance

Figure 1 - Key Financial Highlights

(In US$ Million)	4Q 2018	4Q 2017[a]	% chg Y-o-Y	FY2018	FY2017[a]	% chg Y-o-Y
Indonesia	76.6	70.4	8.8%	305.8	271.0	12.8%
Regional Markets	31.3	29.4	6.4%	121.2	110.3	9.9%
Total Revenue	**107.9**	**99.8**	**8.1%**	**427.0**	**381.3**	**12.0%**
Gross Profit Margin (%)	35.7%	35.1%	0.6% pt	34.6%	34.0%	0.6% pt
EBITDA	**13.4**	**11.1**	**20.3%**	**51.3**	**44.4**	**15.5%**
EBITDA Margin (%)	12.4%	11.2%	1.2% pt	12.0%	11.6%	0.4% pt
PATMI (excl exceptional & non-recurring items)[b]	**5.4**	**3.4**	**60.0%**	**23.0**	**17.3**	**32.7%**
PATMI (incl exceptional & non-recurring items)[b]	**4.1**	**2.4**	**70.4%**	**20.9**	**19.7**	**6.0%**

Notes:

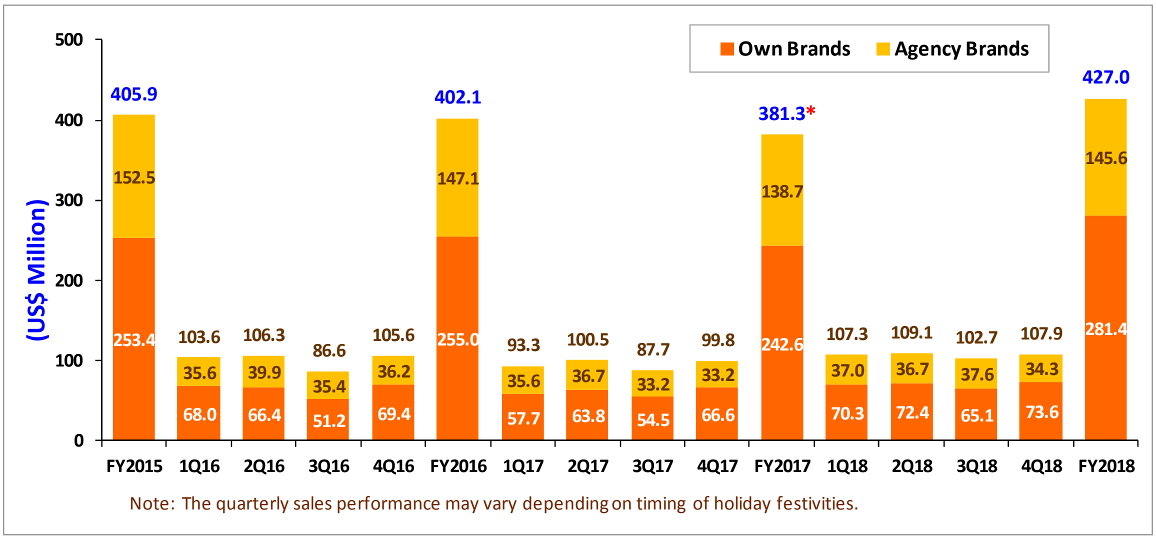
a Please see paragraph 1(a) Note 1.
b Please refer to Note 3 on page 4 and Note 5 page 5 for details of the exceptional & non-recurring items.

Building on the positive momentum in the previous quarters, the Group achieved 4Q 2018 revenue of US$107.9 million (higher Y-o-Y by 8.1%) and ended the financial year 2018 with revenue of US$427.0 million, representing Y-o-Y growth of 12.0% in the Group’s US Dollar reporting currency. This growth was achieved despite the weakness in the regional currencies especially the Indonesian Rupiah (down 5.98% Y-o-Y) and the Philippines Peso (down 4.27% Y-o-Y).

The growth can be attributed mainly to higher Own Brands sales, essentially reflecting the benefits of our growth initiatives implemented over the past two years to position our business for long term growth. Our portfolio of Own Brands products continues to be the major contributor to our business, forming more than 60% of revenue. Over the years, this portfolio has progressively expanded and today extends into the categories of chocolate confectionery, biscuits and wafers, breakfast, beverages and baking.

For the periods under review, Own Brands sales were higher Y-o-Y by 10.4% and 16.0% for 4Q and FY2018 respectively. The growth was driven mainly by our portfolio in Indonesia reflecting - (i) higher sales growth of our products in the premium format category; and (ii) benefits from our direct shipment initiative to certain minimart retail customers.

Figure 2 - Own Brands & Agency Brands Revenue Performance (Quarterly and Full Year)



Note: * Figures may not add up due to restatement of 1Q, 2Q and 3Q 2017 with adoption of SFRS(I) - para 4.

In 4Q and FY2018, our Agency Brands business across our markets achieved Y-o-Y revenue growth of 3.6% and 5.0% respectively. To provide better clarity on the performance of Agency Brands, the following should be highlighted:

(i) Sales of the *Van Houten* products in Indonesia from 2Q 2018 are now classified as Own Brands; and

(ii) The performance for Philippines reflected the discontinuation of some less profitable Agency Brands.

If adjusted for these factors, our Agency Brands' fundamental underlying sales performance Y-o-Y would have reflected instead a Y-o-Y growth of 11.0% and 15.6% for 4Q and FY2018 respectively.

The Group's EBITDA of US$13.4 million for 4Q 2018 and US$51.3 million for FY2018 respectively represents Y-o-Y growth of 20.3% and 15.5% achieved respectively. In addition to higher sales achieved, the other key profitability drivers are the higher Gross Profit Margin achieved and tighter control of our selling and distribution costs.

The Group's 4Q and FY2018 PATMI of US$4.1 million and US$20.9 million respectively was higher Y-o-Y by 70.4% and 6.0%. Included in PATMI were the following exceptional items:

a. For FY2018 comprising mainly exceptional & non-recurring losses of US$2.1 million on the back of the improper and unsubstantiated transactions found in the Philippines and related legal and professional fees of US$0.6 million incurred; and

b. For FY2017 comprising mainly - (1) US$4.4 million gain (net of tax) on the sale of CMI; and (2) exceptional & non-recurring losses of US$2.0 million due to improper and unsubstantiated transactions found in the Philippines.

Excluding these exceptional & non-recurring items, the Group's PATMI growth for 4Q and FY2018 would have been 60.0% and 32.7% respectively.

For FY2018, the Group's operations generated cash flow which sufficiently funded the higher working capital and capital expenditure for the year as well as the dividends paid to shareholders. In addition, the Group's cash balance of US$54.7 million at 31 December 2018 is more than adequate to support the Group's foreseeable near term business and investment needs.

Performance Review by Markets

Indonesia

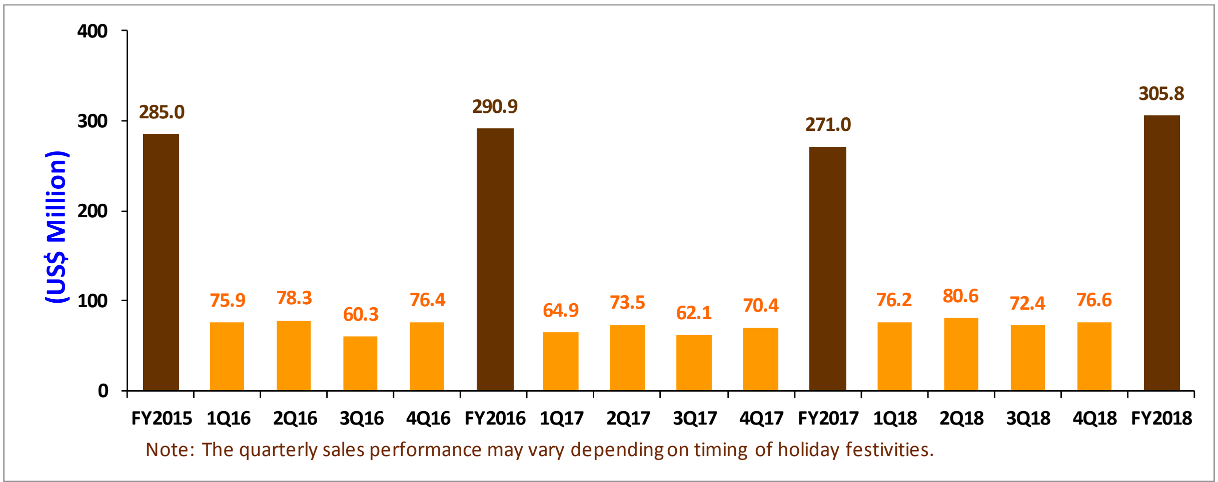
Our business in Indonesia achieved 4Q 2018 revenue of US$76.6 million and FY2018 revenue of US$305.8 million, higher Y-o-Y by 8.8% and 12.8% respectively. Higher sales of Own Brands products were the main growth driver with increases for the periods under review from our premium brands of *SilverQueen*, *Delfi Premium*, *Selamat*, *Ceres* and *Cha Cha*.

After our acquisition of the exclusive and perpetual rights to the *Van Houten* brand, sales of *Van Houten* products, since 2Q 2018, have been reclassified to Own Brands sales whereas in prior periods they were classified as Agency Brands.

The sales growth generated by our portfolio of Own Brands products reflected the benefits of our growth initiatives implemented over the past two years. Initiatives comprising mainly - (i) focusing on higher sales velocity and/or margin performance products; (ii) withdrawing lower performing SKU's; and (iii) reorganizing our supply chain management. The supply chain reorganization, which included implementing direct deliveries to the distribution centres of some of our Modern Trade customers, resulted in increased service levels to these customers and increased the speed to market for our products, albeit with higher working capital commitments.

Our objective is to maintain a high level of product availability and ensure that our products continue to maintain significant shelf space presence.

Figure 3 - Indonesia's Revenue Performance (Quarterly and Full Year)



To position our business for long term success, we refocused our spending on building our core brands and focused on where the strongest growth opportunities are. Innovation for our Own Brands remains a key priority for us and our objective is to reach many more consumers by developing products that will address different consumer needs at different price points (e.g. our

Ceres Spread, *Zap*, *Buzza* and *Cha Cha* novelty tubes and more recently our *SilverQueen Green Tea* flavor variant). We have also refreshed our brand communication programmes to strengthen our brands' connection with our consumers.

In addition, we continued investing in our sales force and in our routes-to-market capabilities to develop a distribution network that can quickly respond to the constantly evolving retail landscape both in Indonesia and our Regional Markets to ensure that our Own Brands portfolio continues to maintain a significant shelf space presence. Our objective is to continue improving service levels to all our retail customers.

As discussed on page 24, the sales performance of our Agency Brands sales in Indonesia reflected the reclassification of "*Van Houten*" sales to Own Brands. Adjusted for this, Agency Brands sales would have been higher Y-o-Y, by 18.9% and 11.7% for 4Q and FY2018 respectively with the double digit growth achieved for some of our core Agency Brands in confectionery and snacking, and breakfast categories.

The Regional Markets

For our Regional Markets, revenues for 4Q 2018 and FY2018 were higher Y-o-Y by 6.4% and 9.9% respectively. The growth was mainly driven by higher sales in Malaysia while growth of Own Brands sales in the Philippines reflected our "*Goya - A Taste of World Class, Everyday*" marketing campaign. Agency Brands sales in the Regional Markets were, however, negatively impacted by the discontinuation of two major Agency Brands - one in the Philippines (effective June 2017) and one in Malaysia (end-2017).

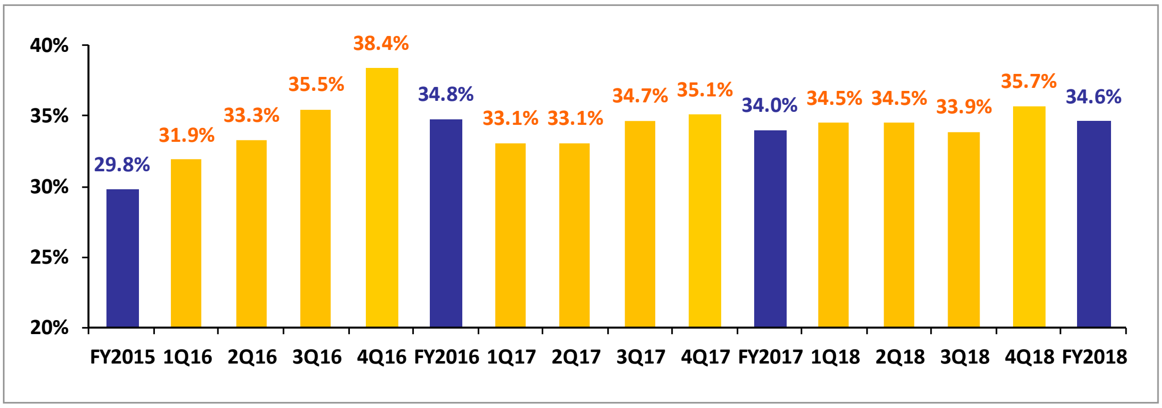
Excluding the discontinued Agency Brands, Regional Markets' 4Q and FY2018 sales would have been higher 6.7% and 15.2% respectively.

Review of Profitability

The Group generated EBITDA of US$13.4 million and US$51.3 million for 4Q and FY2018 respectively. The key drivers of this were - (i) higher revenue achieved by the Group; (ii) the improvement in our Group's Gross Profit Margin ("GPM"); and (iii) tighter control of our selling and distribution costs.

For 4Q and FY2018, the Group achieved a GPM of 35.7% (higher Y-o-Y by 0.6% point) and 34.6% (higher Y-o-Y by 0.6% point) respectively. The improvement achieved, despite the currency headwinds faced, can be attributed to the higher sales of our premium products and our on-going cost containment initiatives. To mitigate the impact of higher input costs, we had implemented a product resizing programme on some of our Own Brands products as well as price increases for selected Agency Brands in 3Q 2018.

Figure 4 - Gross Profit Margin (Quarterly and Full Year) - As reported



Note: * It should be highlighted that quarterly margins achieved may vary depending on composition of sales mix, both within Own Brands and Agency Brands.

For Own Brands, our ongoing strategy to tackle higher input costs includes a combination of the following: pro-active price adjustments and product right-sizing, launch of new higher margined products and cost containment initiatives. In addition, the strategy of buying forward our main raw material requirements in a timely manner serves to lock-in forward costs to a major extent thus providing greater cost visibility and margin stability.

The Group's EBITDA growth of 20.3% and 15.5% for 4Q and FY2018 respectively was achieved despite sales and distribution costs remaining high as a percentage of sales (albeit lower in 2018 vs 2017). In Indonesia, we continue to invest in our brand building initiatives and in our routes-to-market capabilities, which we believe is necessary as we continue to strengthen our distribution infrastructure to support long term growth. The higher costs also reflected our investments to grow our shelf space presence across all retail channels for our strategic brands and in-store promotions to generate consumer sales in Indonesia.

The Group achieved 4Q and FY2018 EBITDA margin of 12.4% (higher Y-o-Y by 1.2% points) and 12.0% (higher Y-o-Y by 0.4% points) respectively on higher gross profit margin.

Update on Claims Associated with the Disposal of Delfi Cacau Brasil Ltda.

By way of background, on 24 February 2015, the Company had announced that Barry Callebaut had notified the Company of various claims from the Brazil tax authorities ("Notifications") against the former Delfi Cacau Brazil Ltda ("DCBR"), which Barry Callebaut purchased as part of the sale of the Cocoa Ingredients business. In the Company's announcement made on 28 August 2015, the Company also pointed out that although the Settlement Agreement fully settled the dispute over the closing price adjustments, Barry Callebaut remained entitled to bring any further claims that may arise under the continuing warranties.

As previously announced, the Company was notified of a total of 9 claims associated with the disposal of DCBR totalling BRL 87,002,187 as of 31 December 2016. In FY2016, the Group recognized an exceptional charge of US$2.0 million pertaining to the claims. In FY2017 and FY2018, the Company were not notified of any further claims. At 31 December 2018, the Company's total exposure in respect of tax and labour claims in Brazil has reduced to BRL 85,298,932 (equivalent to US$22.1 million based on end-December 2018 exchange rate) primarily due to a depreciation of BRL against USD.

The Company, while reserving its rights in relation to the Notifications, has requested Barry Callebaut to defend these claims and the cases are proceeding through the Administration and Judicial processes in Brazil. The Board and management believe there are grounds to resist these claims and the Company will keep the shareholders updated as to material developments in relation to the Brazilian claims.

In assessing the relevant liabilities, management has considered, among other factors, industry developments in the current financial year and the legal environment in Brazil, and assessed that the amounts recognized in respect of these claims are adequate as at 31 December 2018. As management considers the disclosure of further details of these claims can be expected to prejudice seriously the Group's position in relation to the claims, further information has not been disclosed in the Group's financial statements.

Review of Financial Position and Cash Flow

Balance Sheet as at	**31-Dec-18**	31-Dec-17 (restated)	Change
	US$'000	US$'000	US$'000
Cash and cash equivalents	**54,708**	67,368	(12,660)
Working capital	**114,035**	93,645	20,390
Total assets	**361,118**	352,730	8,388
Borrowings	**59,005**	52,200	6,805
Foreign currency translation reserves	**(10,042)**	318	(10,360)
Shareholders' equity	**206,130**	204,187	1,943
Current ratio	**1.54**	1.64	

As at 31 December 2018, the Group and Company had a healthy cash balance of US$54.7 million and US$44.6 million respectively after the two dividend payments in 2018, totaling US$10.1 million (see paragraph 1(d)(i) on page 15), and the acquisition of the exclusive and perpetual rights to "Van Houten" chocolate brand for US$13.0 million (paragraph 1(b) Note 2 on page 9). The cash balance will be sufficient to support the Group's foreseeable near term business and investment needs together with any contingent liabilities.

Compared to end-2017, total assets and shareholders' equity increased US$8.4 million and US$1.9 million respectively mainly on an increase in trade receivables and inventories in Indonesia (see paragraph 1(b)(i) Note 3 on page 9) and on the back of the higher profitability achieved. The increase in shareholders' equity was, however, partially offset by a foreign currency translation loss of US$10.4 million. This was mainly due to a depreciation of the Indonesian Rupiah and Philippine Peso during the year under review.

The higher receivables and inventories were funded by the Group's operating cash flow of US$51.0 million (see paragraph 1(c) on page 12), higher trade payables of US$3.4 million and higher borrowings of US$6.8 million (see paragraph 1(b)(i) Note 6 on page 10).

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

The Group's results for 4Q and FY2018 are in line with the commentary made on 12 November 2018 in paragraph 10 of the Group's "3Q and 9M 2018 Unaudited Financial Statements and Dividend Announcement".

10. A commentary at the date of the announcement of significant trends and the 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 strategic restructuring of our organization, product portfolio, supply chain and routes-to-market implemented over the last two years are continuing to yield the desired results. We will invest in our Core Brands and focus on leveraging our core strengths so as to drive further growth in our business and profitability.

The Group's focus will be to continuously work closely with our trade customers and partners to grow our business by ensuring that our brands are always available, properly displayed and at the right price points. We will focus our brand building initiatives and trade promotions for our core products while ensuring that our products continue to maintain significant shelf space presence. In addition to growing our sales, we will focus on driving cost efficiencies throughout our organization and especially our supply chain. To mitigate the impact of higher input costs, we will continue our product resizing programme whilst launching higher margined products. In addition, we will assess implementing price increases where appropriate.

Through this combination of top line focus and stepped up productivity efforts, we expect, barring unforeseen circumstances, the Group's operations to provide longer term stability and profitability. We will further strengthen the Group's cash flow generation through focused capital expenditure and working capital management.

Over the long term, we believe the consumption environment in our markets will continue to be supported by robust economies and the fast growing middle income classes. To capture the growth opportunities and drive the long term growth of our business, we will work to:

1. Grow our key brands in our markets. Innovation remains a key part of this strategy, whether it is through product innovation in order to provide us with a competitive edge or through continuous marketing reinvention to stay relevant by creating excitement at the shelf space while focusing on the core brands and products that can deliver growth in sales and margins;

2. Extend market reach by having better channel segmentation for both the Modern Trade and Traditional Trade retail formats in order to widen and strengthen our distribution coverage to capture the growth opportunities; and

3. Prudently invest to build capacity and capabilities where there are clear expansion opportunities into new and attractive categories; and increase our productivity and efficiency targets in our production and distribution infrastructure.

To add further value over the longer term to our quality earnings, we will continue to explore opportunities to enter new markets and to extend to new categories if suitable acquisitions or partnerships meet our investment criteria.

11. Dividend

a. Current Financial Period Reported On

Whether an interim (final) ordinary dividend has been declared (recommended)? Yes

Name of Dividend	**Interim**	**Proposed Final**
Dividend Type	Cash	Cash
Dividend Amount per share (in Singapore cents)	1.47 cents per ordinary shares	1.10 cents per ordinary shares

The interim dividend was paid on 7 September 2018.

b. Corresponding Period of the Immediately Preceding Financial Year

Any interim/final dividend declared for the preceding financial period reported on? Yes

Name of Dividend	**Interim**	**Final**
Dividend Type	Cash	Cash
Dividend Amount per share (in Singapore cents)	1.66 cents per ordinary share	0.76 cents per ordinary share

c. Date payable

The directors are proposing a final dividend of 0.81 US cents (1.10 Singapore cents) per share based on the 611,157,000 ordinary shares in issue for the approval of shareholders at the Annual General Meeting on 29 April 2019.

The final dividends, if approved by the shareholders, will be payable on 17 May 2019.

Together with the interim dividend of 1.08 US cents (1.47 Singapore cents) per share paid on 7 September 2018, total 2018 dividends is 1.89 US cents (2.57 Singapore cents).

d. Books closure date

Subject to approval of the shareholders to the final dividend at the Annual General Meeting of the Company, the Transfer Books and the Register of Members of the Company will be closed at 5.00 pm on 9 May 2019 (Books Closure Date) for the preparation of dividend warrants.

Duly completed transfers of ordinary shares received by the Company's Share Registrar, M&C Services Private Limited, 112 Robinson Road, #05-01, Singapore 068902 before

5.00 pm on the Books Closure Date will be registered to determine shareholders' entitlements to the final dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited (CDP), the final dividend will be paid by the Company to CDP which will, in turn, distribute the final dividend entitlements to the CDP account holders in accordance with its normal practice.

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

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has obtained a general mandate ("Shareholders' Mandate") from its shareholders for the Group's IPTs with the following interested persons. The Shareholders' mandate was approved at the Annual General Meeting ("AGM") of the Company held on 30 April 2018 and will be effective until the next AGM. The aggregate value of transactions conducted pursuant to the general mandate is as follows:

	[1] **Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual**	
	4Q 2018	**FY2018**
	US$'000	US$'000
PT Freyabadi Indotama		
- Sales of goods	19	78
- Purchase of products	3,326	13,382
	3,345	**13,460**
PT Fajar Mataram Sedayu		
- Purchase of goods	42	703
	42	**703**
	3,387	**14,163**

14. Negative confirmation pursuant to Rule 705(5)

Not applicable as the Company is announcing its Full Year Financial Statements for FY2018.

15. Confirmation pursuant to Rule 720(1)

The Group has procured undertakings from all its directors and executive officers.

16. Segmental revenue and results

The Group engages in the manufacture and marketing of chocolate confectionery products under a variety of brands and distribution of a wide range of food and other consumer products, including Agency Brands.

Management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to make strategic decisions. The Executive Committee comprises the Executive Directors. The Executive Committee manages and monitors the business based on its two geographical segments, namely Indonesia and Regional Markets (which comprise the Philippines, Malaysia and Singapore).

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2018 is as follows:

	Indonesia	Regional Markets	Group
	US$'000	US$'000	US$'000
Year ended 31 December 2018			
Sales:			
- Total segment sales	316,207	121,269	437,476
- Inter-segment sales	(10,464)	(43)	(10,507)
Sales to external parties	305,743	121,226	426,969
EBITDA	53,489	(2,230)	51,259
Interest income			1,224
Finance costs			(2,900)
Share of loss of associated companies and joint ventures			(67)
Income tax expense			(15,096)
Other segment information			
Depreciation and amortization	(10,454)	(1,037)	(11,491)
Capital expenditure on property, plant and equipment	2,988	3,534	6,522
Sales are analyzed as:			
- Own Brands	233,327	48,014	281,341
- Agency Brands	72,416	73,212	145,628
Total	305,743	121,226	426,969

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2017 is as follows:

	Indonesia	Regional Markets	Group
	US$'000	US$'000	US$'000
Year ended 31 December 2017 (restated)			
Sales:			
- Total segment sales	279,518	110,377	389,895
- Inter-segment sales	(8,511)	(88)	(8,599)
Sales to external parties	271,007	110,289	381,296
EBITDA	46,639	(2,254)	44,385
Interest income			948
Finance costs			(2,982)
Share of loss of associated companies and joint ventures			(506)
Income tax expense			(13,298)
Other segment information			
Depreciation and amortization	(10,524)	(804)	(11,328)
Capital expenditure on property, plant and equipment	9,647	2,168	11,815
Sales are analyzed as:			
- Own Brands	198,558	44,065	242,623
- Agency Brands	72,449	66,224	138,673
Total	271,007	110,289	381,296

Sales between segments are carried out at arm’s length. The revenue from external parties reported to the Executive Committee is measured in a manner consistent with that in the consolidated income statement.

(a) Reconciliation of Segment Profits

The Executive Committee assesses the performance of the operating segments based on a measure of earnings before interest, tax, depreciation and amortisation ("EBITDA") for its operations. This measurement basis excludes the effect of expenditure from the operating segments that are not expected to recur regularly in every period which are separately analysed. Interest income and finance expenses are not allocated to segments, as this type of activity is driven by the Group Treasury, which manages the cash position of the Group. A reconciliation of EBITDA to profit before tax is set out below:

	The Group	
	2018	2017 (restated)
	US$'000	US$'000
EBITDA	**51,259**	44,385
Adjustments for:		
Interest expense	**(2,900)**	(2,982)
Interest income	**1,224**	948
Depreciation of property, plant and equipment	**(10,419)**	(10,982)
Amortization of intangible assets	**(1,072)**	(346)
Gain on disposal of associated company	**-**	4,629
Payment for liquidation of a joint venture	**-**	(660)
Exceptional items	**(2,136)**	(2,011)
Profit before tax	**35,956**	32,981

(b) Geographical Information

Sales are based on the country in which the customer is located. Non-current assets are shown by the country where the assets are located.

	Revenue		**Non-Current Assets (Excludes Deferred Income Tax Assets)**	
For year ended 31 December	**2018**	2017 (restated)	**2018**	2017 (restated)
	US$'000	US$'000	**US$'000**	US$'000
Indonesia	**305,743**	271,007	**106,092**	119,282
Regional Markets:				
Philippines	**40,885**	43,199	**10,998**	9,583
Malaysia	**73,171**	62,739	**1,766**	836
Singapore	**1,970**	928	**21,845**	9,434
Other countries in Asia	**5,200**	3,423	**-**	-
	426,969	381,296	**140,701**	139,135

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

Please refer to paragraph 8.

18. Breakdown of Sales

		FY2018	FY2017 (restated)	Change
		US$'000	US$'000	%
(a)	Sales reported for first half year	**216,411**	193,771	11.7
(b)	Operating profit/loss after tax before deducting minority interest reported for the first half year	**12,733**	13,907	(8.4)
(a)	Sales reported for second half year	**210,558**	187,525	12.3
(b)	Operating profit/loss after tax before deducting minority interest reported for the second half year	**8,129**	5,778	40.7

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

	FY2018	FY2017
	US$'000	US$'000
Ordinary		
- Interim	**6,514**	7,500
- Proposed Final	**4,950**	3,545
Total	**11,464**	11,045

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

Name	Age	Family relationship with a director or chief executive officer or substantial shareholder		Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chuang Tiong Choon	70	(i) (ii) (iii)	Husband to Madam Lim Mee Len (Substantial Shareholder) Brother to Mr Chuang Tiong Liep (Executive Director and Substantial Shareholder) Brother to Mr Chuang Tiong Kie (Executive Director)	Executive Director/Chief Executive Officer/Managing Director 1989/2004	N.A.
Chuang Tiong Liep	67	(i) (ii) (iii)	Brother to Mr Chuang Tiong Choon (Executive Director/ Chief Executive Officer/ Managing Director and Substantial Shareholder) Brother to Mr Chuang Tiong Kie (Executive Director) Brother-in-law to Madam Lim Mee Len (Substantial Shareholder)	Executive Director 1999 / Group Chief Growth and Marketing Officer 2017	N.A.
Chuang Tiong Kie	60	(i) (ii) (iii)	Brother to Mr Chuang Tiong Choon (Executive Director/ Chief Executive Officer/ Managing Director and Substantial Shareholder) Brother to Mr Chuang Tiong Liep (Executive Director and Substantial Shareholder) Brother-in-law to Madam Lim Mee Len (Substantial Shareholder)	Executive Director 2001	N.A.
Chuang Yok Hoa	69	(i) (ii) (iii) (iv)	Sister to Mr Chuang Tiong Choon (Executive Director/ Chief Executive Officer/ Managing Director and Substantial Shareholder) Sister to Mr Chuang Tiong Liep (Executive Director and Substantial Shareholder) Sister to Mr Chuang Tiong Kie (Executive Director) Sister-in-law to Madam Lim Mee Len (Substantial Shareholder)	Company Secretary 1984	N.A.

BY ORDER OF THE BOARD

Raymond Lam Kuo Wei/Evelyn Chuang
Secretaries

27 February 2019