

**Delfi Limited**  
**Unaudited Financial Statements and Dividend Announcement**  
**For the 2<sup>nd</sup> Half Year and Full Year Ended 31 December 2020**

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**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.**

	Notes	Group			Group		
		2H ended 31 December			FY ended 31 December		
		2020	2019	Change	2020	2019	Change
		<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
Revenue	1	<b>187,990</b>	213,834	(12.1)	<b>385,120</b>	440,692	(12.6)
Cost of Sales	1	<b>(137,410)</b>	(150,101)	(8.5)	<b>(275,007)</b>	(307,543)	(10.6)
<b>Gross Profit</b>		<b>50,580</b>	63,733	(20.6)	<b>110,113</b>	133,149	(17.3)
Other operating income	2	<b>1,331</b>	1,706	(15.4)	<b>2,280</b>	3,150	(27.6)
<u>Expenses</u>							
Selling and distribution costs	3	<b>(27,337)</b>	(28,485)	(4.0)	<b>(55,406)</b>	(59,599)	(7.0)
Administrative expenses	4	<b>(12,728)</b>	(13,965)	(8.9)	<b>(24,596)</b>	(27,062)	(9.1)
Finance costs		<b>(1,363)</b>	(1,602)	(14.9)	<b>(3,153)</b>	(3,670)	(14.1)
Other operating expenses		<b>(347)</b>	(973)	(64.3)	<b>(1,200)</b>	(1,314)	(8.7)
Exceptional items		-	(72)	NM	-	(256)	NM
Share of results of associated companies and joint ventures		<b>20</b>	(294)	NM	<b>(391)</b>	(821)	(52.4)
<b>Profit before income tax</b>		<b>10,156</b>	20,048	(49.3)	<b>27,647</b>	43,577	(36.6)
Income tax expense	5	<b>(3,498)</b>	(7,201)	(51.4)	<b>(10,170)</b>	(15,361)	(33.8)
<b>Total profit</b>	6	<b>6,658</b>	12,847	(48.2)	<b>17,477</b>	28,216	(38.1)
<b>Profit/(loss) attributable to:</b>							
Equity holders of the Company		<b>6,658</b>	12,849	(48.2)	<b>17,477</b>	28,218	(38.1)
Non-controlling interest		-	(2)	NM	-	(2)	NM
		<b>6,658</b>	12,847	(48.2)	<b>17,477</b>	28,216	(38.1)
EBITDA		<b>18,316</b>	28,200	(35.0)	<b>43,888</b>	59,641	(26.4)
Earnings per ordinary share (US cents) - Basic and Diluted <sup>(a)</sup>		<b>1.09</b>	2.10	(48.2)	<b>2.86</b>	4.62	(38.1)
Return on equity					<b>7.7%</b>	13.0%	(5.3% pt)

Notes

a. 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.

NM - Not meaningful.

## Explanatory Notes on Income Statement

### Note 1 - Revenue

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

	2H ended 31 December			FY ended 31 December		
	2020	2019	Change	2020	2019	Change
	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
Indonesia	121,924	146,749	(16.9)	255,185	309,666	(17.6)
Regional Markets	66,066	67,085	(1.5)	129,935	131,026	(0.8)
	<b>187,990</b>	<b>213,834</b>	<b>(12.1)</b>	<b>385,120</b>	<b>440,692</b>	<b>(12.6)</b>

(b) Breakdown of Sales

	2H ended 31 December			FY ended 31 December		
	2020	2019	Change	2020	2019	Change
	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
Own Brands	111,707	131,634	(15.1)	232,861	277,092	(16.0)
Agency Brands	76,283	82,200	(7.2)	152,259	163,600	(6.9)
	<b>187,990</b>	<b>213,834</b>	<b>(12.1)</b>	<b>385,120</b>	<b>440,692</b>	<b>(12.6)</b>

For FY2020, following a detailed year-end review of trade promotion programmes offered by the Group, it was concluded that certain Selling and Distribution costs should be presented as a reduction to Revenue. Accordingly, the Revenue line item has been reclassified retrospectively as follows:

<u>Revenue</u>	1H 2020	1H 2019	2H 2019
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Before reclassification	211,388	240,568	231,054
Reclassification	(14,258)	(13,710)	(17,220)
After reclassification	<b>197,130</b>	<b>226,858</b>	<b>213,834</b>

In addition, certain distribution related expenses amounting to US\$6.6 million for the financial year ended 31 December 2019 have been reclassified from Selling and Distribution costs to Cost of Goods Sold to reflect more appropriately the costs to fulfil the sale of goods.

The above reclassifications from Selling and Distribution costs have no impact on EBITDA or Net Profit; the Balance Sheets of the Group or of the Company; or the Consolidated Cash Flows for both financial years ended 31 December 2020 and 31 December 2019.

FY2020 has been a challenging year with the unprecedented crisis caused by the COVID-19 pandemic. In the pre-COVID period, we started positively in 1Q 2020 before the onset of the virus in 2Q 2020, which resulted in severe lockdowns imposed in our markets. With the easing of the lockdowns, our 3Q 2020 and 4Q 2020 revenues recovered from 2Q 2020's unprecedented lows.

Hence, despite being lower Y-o-Y, the Group's revenue especially for Indonesia achieved sequential Quarter-on-Quarter growth with the improvement mainly due to the strength of our Own Brands portfolio, especially for our Premium format category.

#### **Note 2 - Other Operating Income**

Included in Other Operating Income, is US\$0.1 million in office rental rebates for FY2020 from our office landlords as part of the Singapore Government's rebate on property tax payable for non-residential properties to help business operators affected by COVID-19 pandemic.

#### **Note 3 - Selling and Distribution Costs**

As described in Note 1 (page 3) following a detailed year-end review, selling and distribution costs include retrospective reclassification of trade promotion programmes offered and certain distribution related expenses.

Such reclassifications have no impact on EBITDA or Net Profit, Balance Sheets of the Group or of the Company, or the Consolidated Cash Flows for both financial years ended 31 December 2020 and 31 December 2019.

#### **Note 4 - Administrative Expenses**

Included in Administrative expenses, is a subsidy from the Jobs Support Scheme ("JSS") amounting to US\$0.5 million in FY2020. The JSS, as announced by the Singapore Government in its Budget 2020, is intended to offset and protect Singapore employees' wages through wage support to employers, helping enterprises retain their local employees (Singapore Citizens and Permanent Residents) during this period of economic uncertainty.

#### **Note 5 - Income Tax Expense**

The Group's higher effective tax rate for FY2020, when compared to the same period last year, can be attributed to the withholding tax incurred on higher dividend income received from our subsidiaries.

## Note 6 - Net Profit

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

	Notes	2H ended 31 December			FY ended 31 December		
		2020	2019	Change	2020	2019	Change
		US\$'000	US\$'000	%	US\$'000	US\$'000	%
Depreciation of property, plant and equipment		<b>(6,350)</b>	(6,380)	(0.5)	<b>(12,412)</b>	(12,046)	3.0
Amortisation of intangible assets		<b>(716)</b>	(692)	3.5	<b>(1,359)</b>	(1,374)	(1.1)
Net foreign exchange gain/(loss)		<b>593</b>	(168)	NM	<b>537</b>	(280)	NM
Group (under)/over provision of tax in prior years		<b>(134)</b>	5	NM	<b>(192)</b>	(133)	44.4
Gain on disposal of property, plant and equipment		<b>28</b>	37	(24.3)	<b>52</b>	179	(70.9)
Impairment loss on trade receivables		<b>(130)</b>	(29)	348.3	<b>(73)</b>	(44)	65.9
Inventories written-off		<b>(2,661)</b>	(2,029)	31.1	<b>(3,696)</b>	(3,119)	18.5
Allowance made for inventory obsolescence		<b>(1,194)</b>	(661)	80.6	<b>(2,137)</b>	(1,172)	82.3

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.**

	Notes	Group		Company	
		31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
		US\$'000	US\$'000	US\$'000	US\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		65,522	57,558	52,063	44,955
Trade receivables	1	81,690	89,787	1,274	1,471
Loans to joint ventures		60	60	60	60
Inventories	1	76,847	87,401	9	-
Contract assets		2,815	3,169	-	-
Tax recoverable		6,888	4,627	-	-
Other current assets		11,030	12,430	540	465
		<b>244,852</b>	<b>255,032</b>	<b>53,946</b>	<b>46,951</b>
<b>Non-current assets</b>					
Investments in subsidiaries		-	-	41,097	40,992
Investments in associated companies and joint venture		2,425	2,869	3,900	3,900
Loans to associated company and joint venture		967	915	-	-
Property, plant and equipment	2	107,180	116,983	2,358	2,276
Intangibles assets		20,916	21,576	18,017	17,871
Deferred income tax assets		3,174	1,771	-	-
Other non-current assets		2,974	3,149	-	-
		<b>137,636</b>	<b>147,263</b>	<b>65,372</b>	<b>65,039</b>
<b>Total Assets</b>		<b>382,488</b>	<b>402,295</b>	<b>119,318</b>	<b>111,990</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables		29,900	37,153	1,295	986
Contract liabilities		7,854	4,838	-	-
Other payables	3	52,171	55,982	3,934	3,452
Current income tax liabilities		1,014	2,420	-	-
Derivative liabilities		30	53	-	37
Borrowings	4	48,748	58,315	-	-
		<b>139,717</b>	<b>158,761</b>	<b>5,229</b>	<b>4,475</b>
<b>Non-current liabilities</b>					
Other Payables (Non-Current)		540	1,765	358	1,140
Deferred income tax liabilities		246	1,063	-	-
Provisions for other liabilities and charges		16,236	13,106	-	-
		<b>17,022</b>	<b>15,934</b>	<b>358</b>	<b>1,140</b>
<b>Total liabilities</b>		<b>156,739</b>	<b>174,695</b>	<b>5,587</b>	<b>5,615</b>
<b>NET ASSETS</b>		<b>225,749</b>	<b>227,600</b>	<b>113,731</b>	<b>106,375</b>
<b>Capital and reserves attributable to the Company's equity holders</b>					
Share capital		95,936	95,936	95,936	95,936
Foreign currency translation reserve	5	(7,413)	(3,553)	-	-
Other reserves		994	1,887	-	-
Retained earnings		136,113	133,213	17,795	10,439
		<b>225,630</b>	<b>227,483</b>	<b>113,731</b>	<b>106,375</b>
<b>Non controlling interest</b>		<b>119</b>	<b>117</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>225,749</b>	<b>227,600</b>	<b>113,731</b>	<b>106,375</b>

## Explanatory Notes on Statement of Financial Position

### **Note 1 - Trade Receivables and Inventories**

Trade Receivables and Inventories at FY2020 were lower Y-o-Y by US\$8.1 million and US\$10.6 million respectively. The lower Trade Receivables balance was broadly in line with the Group's lower sales recorded. The lower inventories balance reflected the lower sales and a tighter management of inventory in view of the on-going market uncertainties as a result of the COVID-19 pandemic.

### **Note 2 - Capital Expenditure on Property, Plant and Equipment**

The allocation of capital expenditure for 2H and FY2020 by geographical region is as follows:

	<b>2H 2020</b>	2H 2019	<b>FY2020</b>	FY2019
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Indonesia	<b>1,547</b>	7,131	<b>2,295</b>	8,951
Regional Markets	<b>1,496</b>	2,711	<b>1,744</b>	3,099
	<b>3,043</b>	9,842	<b>4,039</b>	12,050

The 2H 2020 capital expenditure incurred was mainly for equipment to improve packaging efficiency.

### **Note 3 - Other Payables**

During the lockdown of the markets from the COVID-19 pandemic, rigorous cost containment measures were initiated to reduce the impact from the drop in sales. As a result, lower operating expenses and accruals were registered.

### **Note 4 - Borrowings**

	<b>Group</b>		<b>Company</b>	
	<b>31-Dec-20</b>	31-Dec-19	<b>31-Dec-20</b>	31-Dec-19
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Bank overdraft	<b>732</b>	1,869	-	-
Bank borrowings	<b>36,481</b>	43,980	-	-
Trade finance	<b>11,535</b>	12,466	-	-
	<b>48,748</b>	58,315	-	-
Breakdown of borrowings:				
Current	<b>48,748</b>	58,315	-	-
Non-current	-	-	-	-
	<b>48,748</b>	58,315	-	-

## Note 5 - Foreign Exchange Translation Reserve

At the end-of 2020, the Group had a foreign exchange translation reserve of US\$7.4 million, an increase of US\$3.9 million from FY2019 mainly due to the depreciation of the Indonesian Rupiah against the US Dollar - from IDR 13,901/US\$1 (end-2019) to IDR 14,105/US\$1 (end-2020).

USD 1 to	Indonesian Rupiah (IDR)	Malaysian Ringgit (MYR)	Singapore Dollar (SGD)	Philippines Peso (PHP)
FY2020	14,105	4.0205	1.3221	48.036
FY2019	13,901	4.0905	1.3457	50.744
<i>Strengthened/(Weakened) Y-o-Y</i>	<i>(1.47%)</i>	<i>1.71%</i>	<i>1.75%</i>	<i>5.34%</i>

## Note 6 - Key Ratios

	31-Dec-20	31-Dec-19
Current ratio	1.75	1.61
Average Inventory Days	109	97
Average Receivable Days	81	67
Average Payable Days	44	43
Return on Equity	7.7%	13.0%

Despite the lower Trade Receivables and Inventories balances, and our improved working capital for the year, the reduction in sales resulted in an increase in both the Average Receivable and Inventory Days computed.



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-20	31-Dec-19	31-Dec-20	31-Dec-19
	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable in one year or less, or on demand				
- Secured	17,884	18,713	-	-
- Unsecured	30,864	39,602	-	-
	<b>48,748</b>	<b>58,315</b>	-	-
Amount repayable after one year				
- Secured	-	-	-	-
- Unsecured	-	-	-	-
	-	-	-	-

**Details of collateral**

Of the Group's total bank borrowings at 31 December 2020, US\$17.9 million (2019: US\$18.7 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.**

	Year ended	
	31-Dec-20	31-Dec-19
Notes	<u>US\$'000</u>	<u>US\$'000</u>
<b>Cash flows from operating activities</b>		
Total profit	17,477	28,216
Adjustments:		
Income tax expense	10,170	15,361
Depreciation and amortisation	13,771	13,420
Gain on disposal of property, plant and equipment	(52)	(179)
Exceptional items	-	256
Interest income	(683)	(1,282)
Interest expense	3,153	3,670
Fair value gain on derivatives	(23)	(4)
Share of results of associated companies and joint ventures	391	821
Operating cash flows before working capital changes	<u>44,204</u>	<u>60,279</u>
Change in working capital		
Inventories	10,554	(11,186)
Trade and other receivables	10,448	(16,095)
Contract assets	354	(1,086)
Trade and other payables	(11,417)	15,931
Contract liabilities	3,016	1,381
Exceptional items	-	(256)
Cash generated from operations	<u>57,159</u>	<u>48,968</u>
Interest received	683	1,282
Income tax paid, net of tax refund received	(15,437)	(18,164)
<b>Net cash provided by operating activities</b>	<u>42,405</u>	<u>32,086</u>
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(3,706)	(10,003)
Advances for purchase of property, plant and equipment	(776)	(182)
Purchases of intangible assets	(439)	(473)
Proceeds from disposal of property, plant and equipment	79	239
<b>Net cash used in investing activities</b>	<u>(4,842)</u>	<u>(10,419)</u>
<b>Cash flows from financing activities</b>		
Proceeds from bank borrowings	-	19,797
Repayment of trade finance	(931)	(1,318)
Repayment of bank borrowings	(7,431)	(5,394)
Repayment of lease liabilities	(2,184)	(1,578)
Interest paid	(3,153)	(3,670)
Dividends paid to equity holders of company	(14,509)	(12,590)
<b>Net cash used in financing activities</b>	<u>(28,208)</u>	<u>(4,753)</u>
<b>Net increase in cash and cash equivalents</b>	<b>9,355</b>	<b>16,914</b>
<b>Cash and cash equivalents</b>		
Beginning of financial year	55,689	38,214
Effects of currency translation on cash and cash equivalents	(254)	561
<b>End of financial year</b>	<u>64,790</u>	<u>55,689</u>

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

	Year ended	
	31-Dec-20	31-Dec-19
	<u>US\$'000</u>	<u>US\$'000</u>
Cash and bank balances	20,385	12,263
Short term deposits	45,137	45,295
Less: Bank overdrafts	(732)	(1,869)
	<b>64,790</b>	<b>55,689</b>

#### Reconciliation of liabilities arising from financing activities

	Non-cash changes					
	2019	Repayment	Proceeds	Additions	Foreign exchange movement	2020
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Bank borrowings	43,980	(7,431)	-	-	(68)	36,481
Lease liabilities	3,774	(2,184)	-	333	89	2,012 <sup>b</sup>
Trade finance	12,466	(931)	-	-	-	11,535

	Non-cash changes					
	2018	Repayment	Proceeds	Additions	Foreign exchange movement	2019
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Bank borrowings	28,414	(5,394)	19,797	-	1,163	43,980
Lease liabilities	313	(1,578)	-	5,057 <sup>a</sup>	(18)	3,774 <sup>b</sup>
Trade finance	13,784	(1,318)	-	-	-	12,466

#### Notes:

<sup>a</sup> Capitalisation of right-of-use assets and corresponding lease liabilities in adopting SFRS(I) 16.

<sup>b</sup> Lease liabilities are presented as part of other payables.

## Consolidated Statement of Comprehensive Income

	2H ended 31 December		FY ended 31 December	
	2020	2019	2020	2019
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<b>Profit for the period</b>	<b>6,658</b>	12,847	<b>17,477</b>	28,216
<b>Other comprehensive income/(loss):</b>				
Items that may be reclassified to profit or loss:				
Foreign currency translation reserve				
- Currency translation differences arising from consolidation	<b>3,534</b>	2,965	<b>(3,858)</b>	6,491
Items that will not be reclassified to profit or loss:				
Defined pension benefits obligation				
- Remeasurements of defined pension benefits obligation	<b>(1,257)</b>	(1,049)	<b>(1,257)</b>	(1,049)
- Tax on remeasurements	<b>296</b>	285	<b>296</b>	285
	<b>(961)</b>	(764)	<b>(961)</b>	(764)
Other comprehensive income/(loss), net of tax	<b>2,573</b>	2,201	<b>(4,819)</b>	5,727
<b>Total comprehensive income for the period</b>	<b>9,231</b>	15,048	<b>12,658</b>	33,943
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<b>9,225</b>	15,048	<b>12,656</b>	33,943
Non-controlling interest	<b>6</b>	-	<b>2</b>	-
	<b>9,231</b>	15,048	<b>12,658</b>	33,943

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<u>Attributable to equity holders of the Company</u>							
	<u>Share capital</u>	<u>Foreign currency translation reserve</u>	<u>General reserve</u>	<u>Defined pension benefits obligation</u>	<u>Retained earnings</u>	<u>Total</u>	<u>Non-controlling interest</u>	<u>Total equity</u>
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<b>The Group</b>								
<b>1H 2020</b>								
<b>Balance as at 1 January 2020</b>	95,936	(3,553)	2,437	(550)	133,213	227,483	117	227,600
Profit for the period	-	-	-	-	10,819	10,819	-	10,819
Other comprehensive loss for the period	-	(7,388)	-	-	-	(7,388)	(4)	(7,392)
Final dividend relating to 2019	-	-	-	-	(6,600)	(6,600)	-	(6,600)
<b>Balance at 30 June 2020</b>	<b>95,936</b>	<b>(10,941)</b>	<b>2,437</b>	<b>(550)</b>	<b>137,432</b>	<b>224,314</b>	<b>113</b>	<b>224,427</b>
<b>2H 2020</b>								
Balance as at 1 July 2020	95,936	(10,941)	2,437	(550)	137,432	224,314	113	224,427
Profit for the period	-	-	-	-	6,658	6,658	-	6,658
Other comprehensive income/(loss) for the period	-	3,528	68	(961)	(68)	2,567	6	2,573
Interim dividend relating to 2020	-	-	-	-	(7,909)	(7,909)	-	(7,909)
<b>Balance at 31 December 2020</b>	<b>95,936</b>	<b>(7,413)</b>	<b>2,505</b>	<b>(1,511)</b>	<b>136,113</b>	<b>225,630</b>	<b>119</b>	<b>225,749</b>

Attributable to equity holders of the Company

	<u>Share capital</u>	<u>Foreign currency translation reserve</u>	<u>General reserve</u>	<u>Defined pension benefits obligation</u>	<u>Retained earnings</u>	<u>Total</u>	<u>Non-controlling interest</u>	<u>Total equity</u>
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<b>The Group</b>								
<b>1H 2019</b>								
<b>Balance at 1 January 2019</b>	95,936	(10,042)	2,366	214	117,656	206,130	117	206,247
Profit for the period	-	-	-	-	15,369	15,369	-	15,369
Other comprehensive income for the period	-	3,526	-	-	-	3,526	-	3,526
Final dividend relating to 2018	-	-	-	-	(4,950)	(4,950)	-	(4,950)
<b>Balance at 30 June 2019</b>	<b>95,936</b>	<b>(6,516)</b>	<b>2,366</b>	<b>214</b>	<b>128,075</b>	<b>220,075</b>	<b>117</b>	<b>220,192</b>
<b>2H 2019</b>								
Balance as at 1 July 2019	95,936	(6,516)	2,366	214	128,075	220,075	117	220,192
Profit/(loss) for the period	-	-	-	-	12,849	12,849	(2)	12,847
Other comprehensive income/(loss) for the period	-	2,963	71	(764)	(71)	2,199	2	2,201
Interim dividend relating to 2019	-	-	-	-	(7,640)	(7,640)	-	(7,640)
<b>Balance at 31 December 2019</b>	<b>95,936</b>	<b>(3,553)</b>	<b>2,437</b>	<b>(550)</b>	<b>133,213</b>	<b>227,483</b>	<b>117</b>	<b>227,600</b>

## Statement of Changes in Equity for the Company

	<u>Attributable to equity holders of the Company</u>		
	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total equity</u>
	US\$'000	US\$'000	US\$'000
<b><u>The Company</u></b>			
<b><u>1H 2020</u></b>			
<b>Balance as at 1 January 2020</b>	95,936	10,439	106,375
Profit for the period	-	20,274	20,274
Final dividend relating to 2019		(6,600)	(6,600)
<b>Balance at 30 June 2020</b>	<b>95,936</b>	<b>24,113</b>	<b>120,049</b>
<b><u>2H 2020</u></b>			
<b>Balance as at 1 July 2020</b>	95,936	24,113	120,049
Profit for the period	-	1,591	1,591
Interim dividend relating to 2020		(7,909)	(7,909)
<b>Balance at 31 December 2020</b>	<b>95,936</b>	<b>17,795</b>	<b>113,731</b>
<b><u>The Company</u></b>			
<b><u>1H 2019</u></b>			
<b>Balance as at 1 January 2019</b>	95,936	11,409	107,345
Profit for the period	-	8,109	8,109
Final dividend relating to 2018	-	(4,950)	(4,950)
<b>Balance at 30 June 2019</b>	<b>95,936</b>	<b>14,568</b>	<b>110,504</b>
<b><u>2H 2019</u></b>			
<b>Balance as at 1 July 2019</b>	95,936	14,568	110,504
Profit for the period	-	3,511	3,511
Final dividend relating to 2019	-	(7,640)	(7,640)
<b>Balance at 31 December 2019</b>	<b>95,936</b>	<b>10,439</b>	<b>106,375</b>

**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, if any, and the percentage of the aggregate number of treasury shares and 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 2H and FY ended 31 December 2020, 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 Company's 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 period 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 a matter).**

Not applicable.



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

- (i) Updates on the efforts taken to resolved each outstanding audit issue.
- (ii) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

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.**

During the year, the Company received office rental rebates as part of the Singapore Government's effort to help business operators affected by the COVID-19 pandemic. Since the rebates have no material impact, the Group has elected to adopt the amendments to SFRS(I) 16 which introduced a practical expedient for a lessee to elect not to assess whether a rental rebate is a lease modification. As a result of applying the practical expedient, rental rebates of US\$0.1 million (Note 2 on Page 4) were recognised as other operating income during the year.

**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.**

Not applicable.

**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.**

	2H ended 31 December		FY ended 31 December	
	2020	2019	2020	2019
(i) Based on weighted average number of ordinary shares in issue - (US cents) <sup>(1)</sup>	1.09	2.10	2.86	4.62
(ii) On a fully diluted basis - (US cents) <sup>(2)</sup>	1.09	2.10	2.86	4.62

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 2020 and 31 December 2019 respectively.

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

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

	Group		Company	
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
Net asset value per ordinary share based on issued share capital - (US cents)	36.9	37.2	18.6	17.4

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 flows, working capital, assets or liabilities of the group during the current financial period reported on.

**Key Figures for the Group (unaudited)**

	2H ended 31 December				FY ended 31 December			
	2020	2019	%	%	2020	2019	%	%
	<u>US\$'000</u>	<u>US\$'000</u>	<u>In USD term</u>	<u>At constant exchange rate</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>In USD term</u>	<u>At constant exchange rate</u>
Indonesia	121,924	146,749	(16.9)	(14.4)	255,185	309,666	(17.6)	(15.1)
Regional Markets	66,066	67,085	(1.5)	(2.9)	129,935	131,026	(0.8)	(1.2)
<b>REVENUE</b>	<b>187,990</b>	<b>213,834</b>	<b>(12.1)</b>	<b>(10.8)</b>	<b>385,120</b>	<b>440,692</b>	<b>(12.6)</b>	<b>(11.0)</b>
Indonesia	16,317	25,437	(35.9)	(33.6)	40,833	55,024	(25.8)	(23.2)
Regional Markets	1,999	2,763	(27.6)	(28.5)	3,055	4,617	(33.8)	(34.9)
<b>EBITDA</b>	<b>18,316</b>	<b>28,200</b>	<b>(35.0)</b>	<b>(33.1)</b>	<b>43,888</b>	<b>59,641</b>	<b>(26.4)</b>	<b>(24.1)</b>
Profit before tax	10,156	20,048	(49.3)	(47.3)	27,647	43,577	(36.6)	(34.2)
Profit attributable to shareholders	6,658	12,847	(48.2)	(45.6)	17,477	28,216	(38.1)	(35.2)
<b>Key performance indicators</b>								
	2H ended 31 December			FY ended 31 December				
	2020	2019	%	2020	2019	%		
Gross profit margin (See Note 1 on page 3)	26.9%	29.8%	(2.9% pt)	28.6%	30.2%	(1.6% 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 FY ended 31 December 2020**

USD 1 to	Indonesian Rupiah (IDR)	Malaysian Ringgit (MYR)	Singapore Dollar (SGD)	Philippines Peso (PHP)
FY 2020	14,608	4.2029	1.3794	49.8002
FY 2019	14,179	4.1425	1.3651	51.9008
<i>Strengthened/(Weakened) Y-o-Y</i>	<i>(3.03%)</i>	<i>(1.46%)</i>	<i>(1.05%)</i>	<i>4.05%</i>

## Review of the Group's 2H and FY2020 Financial Performance

**Figure 1 - Key Financial Highlights**

(In US\$ Million)	2H 2020	2H 2019	Chg Y-o-Y	Chg Y-o-Y at Constant Exch Rates *	FY 2020	FY 2019	Chg Y-o-Y	Chg Y-o-Y at Constant Exch Rates *
Indonesia	121.9	146.7	(16.9%)	(14.4%)	255.2	309.7	(17.6%)	(15.1%)
Regional Markets	66.1	67.1	(1.5%)	(2.9%)	129.9	131.0	(0.8%)	(1.2%)
<b>Total Revenue**</b>	<b>188.0</b>	<b>213.8</b>	<b>(12.1%)</b>	<b>(10.8%)</b>	<b>385.1</b>	<b>440.7</b>	<b>(12.6%)</b>	<b>(11.0%)</b>
Gross Profit Margin (%)	26.9%	29.8%	(2.9%) pt	(2.9%) pt	28.6%	30.2%	(1.6%) pt	(1.6%) pt
<b>EBITDA</b>	<b>18.3</b>	<b>28.2</b>	<b>(35.0%)</b>	<b>(33.1%)</b>	<b>43.9</b>	<b>59.6</b>	<b>(26.4%)</b>	<b>(24.1%)</b>
<b>EBITDA Margin (%)</b>	<b>9.7%</b>	<b>13.2%</b>	<b>(3.5%) pt</b>	<b>(3.3%) pt</b>	<b>11.4%</b>	<b>13.5%</b>	<b>(2.1%) pt</b>	<b>(2.0%) pt</b>
<b>PATMI</b>	<b>6.7</b>	<b>12.8</b>	<b>(48.2%)</b>	<b>(45.6%)</b>	<b>17.5</b>	<b>28.2</b>	<b>(38.1%)</b>	<b>(35.2%)</b>

### Notes

\* For comparative purposes only - This shows the effect of using the respective exchange rates of the regional currencies in FY2019 and 2H 2019 in translating the FY2020 and 2H 2020 results, respectively.

\*\* 1H 2019 and FY2019 Revenue have been recomputed to conform to the presentation in the FY2020 financial statements where certain trade related expenses were reclassified to net off against sales. Please refer to Note 1 on page 3.

Despite an unprecedented and challenging year, we remained profitable and achieved PATMI of US\$6.7 million and US\$17.5 million for the 6 months and the full year ended 31 December 2020 respectively, compared with US\$12.8 million and US\$28.2 million for the corresponding periods in the previous year. The challenging environment was due to the COVID-19 pandemic in 2Q 2020, and its resultant economic impact. Despite lower sales and profits Y-o-Y, we saw continued improvement in our operations in the second half of FY2020 from the low in 2Q 2020.

Given this unprecedented situation in FY2020, the Group's revenue trend for the year has been distinct across the four quarters. We started 2020 on a positive note with strong sales growth in the first quarter of 2020, which was the pre-COVID phase. This abruptly reversed when the pandemic landed on the shores of our key markets near the end of 1Q 2020.

The subsequent large-scale social and business restrictions (e.g. mandated closures and/or shorter operating hours) and lockdowns instituted by the respective countries' governments had an impact on our sales. In Indonesia, this coincided with the key festive Lebaran selling season. The restrictions caused 2Q 2020 sales to weaken significantly.

During 1H2020 we were able to enforce the COVID-19 restrictions relating to our operations and had quickly taken comprehensive measures to ensure the safety of our people, which included the option to work from home where possible, implementation of social distancing in all our operations, split teams, and staggered working hours; and, these measures are still in place.

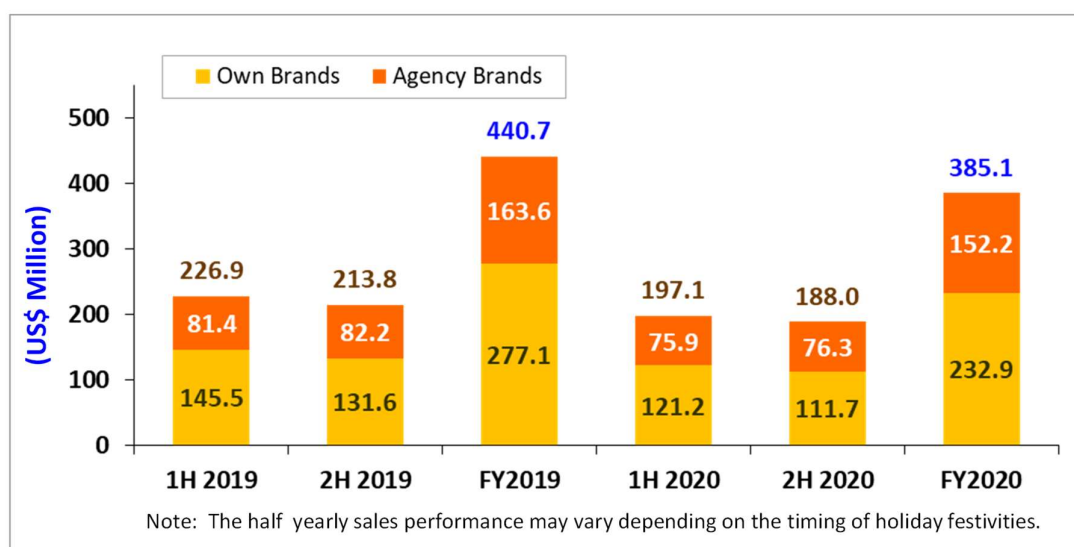
In 3Q 2020 we saw the start of the recovery, following the easing measures introduced by the respective governments. When the restrictions on selling were lifted, we were able to commence our recovery and that can be attributed to the sensible protocols we had established at our production and storage facilities. While sales revenue for the quarter declined over the same period last year (lower 20.7% Y-o-Y to US\$83.6 million), it was higher by 18.5% Q-o-Q over 2Q 2020. We are heartened by the recovery momentum in 4Q 2020, with sales revenue at US\$104.4

million (higher 25.0% Q-o-Q and only lower 3.7% Y-o-Y) representing a significant improvement from the performance seen in 2Q and 3Q 2020.

For the 6 months and full year ended 31 December 2020, Group Revenue was US\$188.0 million and US\$385.1 million compared to US\$213.8 million and US\$440.7 million in the corresponding periods the previous year. The Group's 2H 2020 Revenue showed a smaller Y-o-Y drop of 12.1% compared to the decline of 13.1% seen in 1H 2020.

More importantly, the recovery momentum can be attributed to the resilience of our Own Brands, the complementary Agency Brands portfolio and our well established distribution network, especially with the significant efforts made over the past few years. All of this was made possible through the commitment and support from the Delfi teams.

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



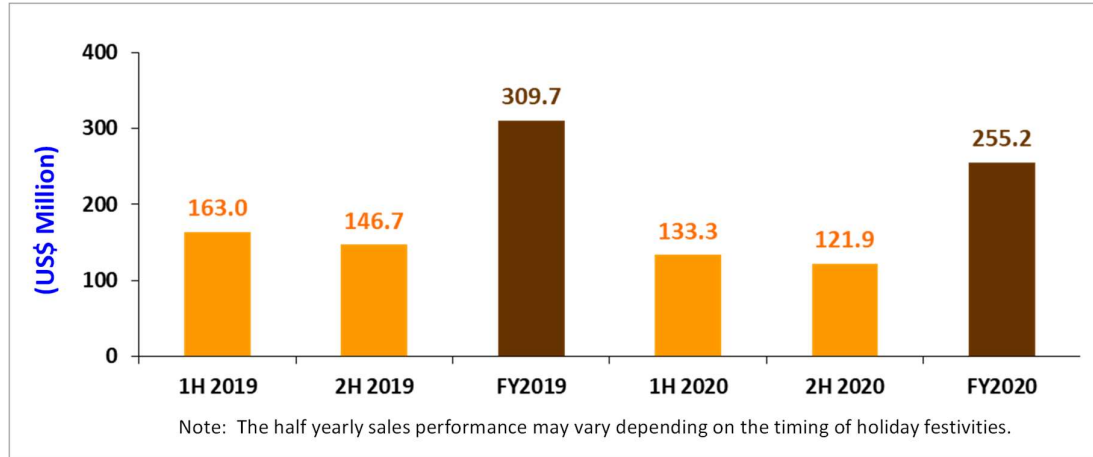
\* For Half Yearly and Full Year 2019, Revenue has been recomputed to conform to the presentation in the FY2020 financial statements. Please refer to Note 1 on Page 3 for more details.

Despite the lower profit, we generated strong Free Cash Flow of US\$38.7 million in FY2020 which was higher by US\$16.6 million compared to the same period last year. This was achieved through tighter cash flow management by watching closely our costs, collections and capital spending. In addition, the Group's cash balance of US\$65.5 million as at 31 December 2020 is more than adequate to support the Group's foreseeable near-term business and investment needs.

## Performance Review by Markets

### Indonesia

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



\* For Half Yearly and Full Year 2019, Indonesia's Revenue has been recomputed to conform to the presentation in the FY2020 financial statements. Please refer to Note 1 on page 3 for more details.

For FY2020, our Indonesia business registered sales revenue of US\$255.2 million. This was lower 17.6% Y-o-Y, as a result of the impact by the onset of COVID-19 from 2Q 2020 coupled with weakness in the Rupiah against the US Dollar during that period (accounting for 2.5% points of the decline). While Indonesia had a good start in 1Q, the implementation of Pembatasan Sosial Berskala Besar (PSBB or Large Scale Social Restrictions) from the April - June period had a deep impact on our customers and thereby on our sales volume.

We have seen continuing improvement in 2H 2020, though not back to the pre-COVID-19 levels. For 2H 2020, our Indonesia business posted sales revenue of US\$121.9 million, lower 16.9% Y-o-Y, which is a smaller decline compared to the 18.2% Y-o-Y decline registered in 1H 2020. In fact, in 4Q 2020, Indonesia sales revenue posted a decline of only 5.2% Y-o-Y.

We had put in place effective operational controls and the key achievement from this was that our operations had minimal disruptions and we continued to meet sales demand. While we had cut back generally on marketing and promotional activities with the onset of COVID-19, certain activities were already pre-committed, and this had a short term negative impact on our margins.

Focusing on building for the longer term, we continued to invest in our brands, albeit selectively, to stay relevant in consumers' minds. In FY2020, our Premium Brands were more resilient in the prevailing environment and less impacted vis-à-vis the Value Brands. Our breakfast and spreads categories registered strong growth benefitting from the increased trend in in-home consumption. This trend persisted in 2H 2020 even after the restrictions were gradually lifted.

Capitalising on the current increasing demand for healthier food and targeting the Gen-Z and Millennials group, we refreshed our core packaging with contemporary designs. We also launched new formulations for *SilverQueen* such as *Very Berry Yoghurt* and *Green Tea Matcha*, to meet the demand for healthier products. Going forward, we will continue to focus on our route-to-market optimisation, brand repackaging/refreshment and new product launches to position ourselves for recovery and growth over the longer term.

The sales performance of our Agency Brands was lower Y-o-Y by 10.3% and 12.6% in 2H 2020 and FY2020 respectively, as a result of the economic situation described above.

### The Regional Markets

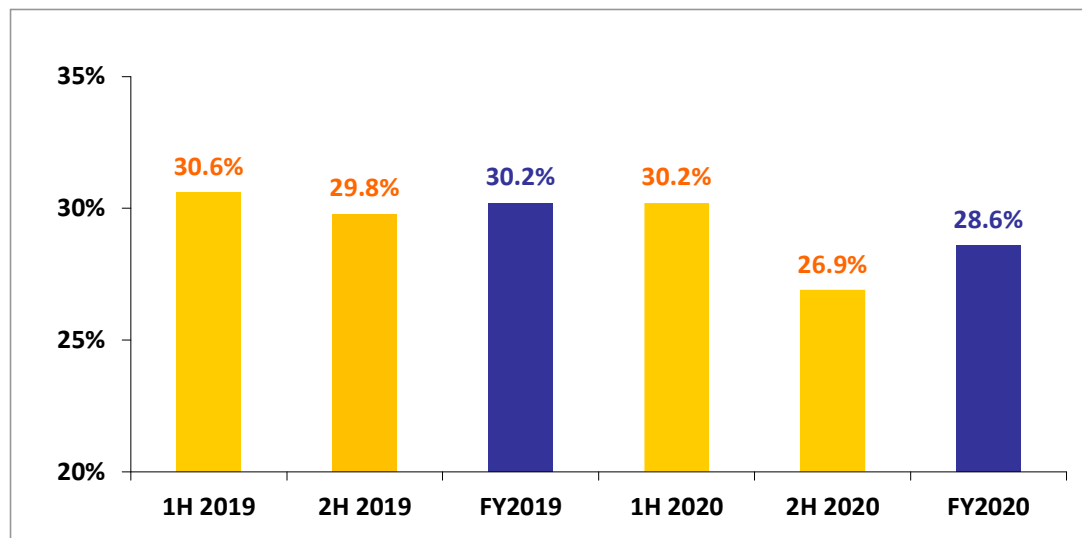
For our Regional Markets, revenues for 2H and FY2020 were lower Y-o-Y by only 1.5% and 0.8% to US\$66.1 million and US\$129.9 million respectively. The resilient performance was mainly attributed to robust demand for several Agency Brands in the snacking, breakfast and healthcare categories and sales of *Van Houten* products in our Regional Markets. For our Regional Markets, *Van Houten* contributed US\$6.6 million in sales. We have also refreshed and relaunched *Van Houten* in new contemporary packaging.

### Review of Profitability

For 2H 2020 and FY2020, we achieved an overall Gross Profit Margin (“GPM”) of 26.9% and 28.6% respectively down 2.9% points and 1.6% respectively when compared with the 2019 equivalent periods (Please see Note 1 on page 3 which explains the changes to the way in which Revenue is now presented). This was a result of higher trade promotion (as a reduction to revenue) mitigated partially by cost containment initiatives. Our strategy of buying forward our main raw material requirements in a timely manner allowed us to lock-in forward costs to a major extent thus providing greater cost visibility and margin stability.

Correspondingly, given the lower Gross Profit and additional COVID-19 related safety and precautionary measures put in place, the Group’s EBITDA margin for 2H 2020 and FY2020 was 9.7% and 11.4%, lower by 3.5% points and 2.1% points Y-o-Y, respectively. We continue to be vigilant in keeping costs in check, while at the same time ensuring our staff and operations are well-guarded against the pandemic.

**Figure 4 - Gross Profit Margin (Half Year and Full Year)**



\* For Half Yearly and Full Year 2019, the Gross Profit Margin has been recomputed to conform to the presentation in the FY2020 financial statements. Please refer to Note 1 on page 3 for more details.

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

### **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. Since then, the Company has not been notified of any further claims though under Brazilian law the claim can be adjusted in line with inflation. As at 31 December 2020, the Company’s total exposure in respect of tax and labour claims (after indexation) in Brazil is BRL 88,038,537 (equivalent to US\$16.9 million based on the end-December 2020 exchange rate).

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 Administrative 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 recognised in respect of these claims are adequate as at 31 December 2020. 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**

<b>Balance Sheet as at</b>	<b>31-Dec-20</b>	<b>31-Dec-19</b>	<b>Change</b>
	<b><u>US\$'000</u></b>	<b><u>US\$'000</u></b>	<b><u>US\$'000</u></b>
Cash and cash equivalents	<b>65,522</b>	57,558	7,964
Working capital	<b>128,637</b>	140,035	(11,398)
Total Assets	<b>382,488</b>	402,295	(19,807)
Borrowings	<b>48,748</b>	58,315	(9,567)
Foreign currency translation reserves	<b>(7,413)</b>	(3,553)	(3,860)
Shareholders' Equity	<b>225,749</b>	227,600	(1,851)
Current ratio	<b>1.75</b>	1.61	

As at 31 December 2020, the Group and Company’s cash balance was US\$65.5 million and US\$52.1 million respectively after paying out the two dividend payments totalling US\$14.5 million during the year. The cash balance is sufficient to support the Group’s foreseeable near-term business and investment needs together with any contingent liabilities.

Compared to end-2019, total assets and shareholders' equity were lower by US\$19.8 million and US\$1.8 million respectively reflecting mainly: (1) the FY2019 and 1H 2020 dividends; (2) a reduction of working capital; and (3) the foreign currency translation loss (see paragraph 1(b)(i) Note 5 on page 8).

During this period, we have focused on our cash collections in order to manage our working capital.

**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 2H and FY2020 are in line with the commentary made on 11 August 2020 in paragraph 10 of the Group's "1H 2020 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.**

FY2020 has been a challenging year given the unprecedented impact from the COVID-19 pandemic. Despite the challenges, the Group was profitable and generated significant positive free cash flow.

The Asian Development Bank ("ADB") has projected that South East Asia could post a recovery in 2021 with GDP growth estimated at 5.5%, compared to a 3.8% contraction in 2020; and, within this, the Indonesia and Philippines economies are projected to grow by 5.3% and 6.5% respectively compared with the contractions of 1% and 7.3% in 2020.

Our sales recovery momentum in 4Q 2020 was strong and although sales are not back to pre-COVID-19 levels, this is encouraging. However, uncertainties and challenges still persist, particularly from the uneven or slow pace of vaccination and containment, as well as the risks of setbacks from the onset of any new variants. Barring unforeseen circumstances, we are cautiously optimistic that our performance in 2021 will be better compared to 2020.

To achieve this, we will accelerate the implementation of the following strategic initiatives and areas:

- Grow sales in our key markets via marketing, innovation and sales initiatives. With changes in consumer purchasing patterns brought about by COVID-19, we will rejuvenate our brands via refreshed packaging; launch new flavours and products; and connect with changing consumers' needs and wants with the increase use of digital communication. We are developing an innovation pipeline towards products that caters to consumers' focus on health and wellness, such as products with higher cocoa and plant-based content. We will strengthen our distribution further in the Modern Trade channel (particularly Minimarts and Modern Trade Independents) with dedicated Key Accounts teams; reorientate Regional Distributors to support this initiative; and grow the General Trade channel as a second engine of growth. Albeit small at the current stage, we will explore further opportunities for online sales.



- Ensure manufacturing optimization and the continuation of our operations. We have implemented safety protocols to minimize disruptions from COVID-19, and will continue to maintain these as well as to enhance our food safety and product quality. We will adopt a conservative stance on capex: spending only on essential areas, as our installed capacity is sufficient to meet market demands in the foreseeable future, while taking steps to diversify over reliance on a single point of manufacturing source.
- Enhance our financial discipline to maintain the health of our balance sheet, and strengthen our strong cash flows especially through control over spending and cash collections.

With the solid foundation that the Group is built on (the strength of our leading brands, our strong innovation culture and strong distribution) coupled with our strong Balance Sheet and Cash Flow generation, we believe we are well placed to tackle the uncertainties ahead.

**11. If a decision regarding dividend has been made:**

**a. Whether an interim (final) ordinary dividend has been declared (recommended)?**

<b>Name of Dividend</b>	<b>Interim</b>	<b>Proposed Final</b>
Dividend Type	Cash	Cash
Dividend Amount per share (in Singapore cents)	1.76 cents per ordinary shares	1.43 cents per ordinary shares

The interim dividend was paid on 7 September 2020.

**b. (i) Amount per share 3.19 Singapore cents.**

**(ii) Previous corresponding period 3.22 Singapore cents.**

<b>Name of Dividend</b>	<b>Interim</b>	<b>Final</b>
Dividend Type	Cash	Cash
Dividend Amount per share (in Singapore cents)	1.73 cents per ordinary share	1.49 cents per ordinary share

**c. Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.**

Not applicable.

**d. The date the dividend is payable.**

The directors are proposing a final dividend of 1.08 US cents (1.43 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 27 April 2021.

The final dividends, if approved by the shareholders, will be payable on 14 May 2021.

Together with the interim dividend of 1.27 US cents (1.76 Singapore cents) per share paid on 7 September 2020, total dividends is 2.35 US cents (3.19 Singapore cents).

**e. The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

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 4 May 2021 (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 and the reason(s) for the decision.**

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 2020 and will be effective until the next AGM. The aggregate value of transactions conducted pursuant to the general mandate is as follows:

	<sup>1</sup> Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual	
	2H 2020	FY2020
	<u>US\$'000</u>	<u>US\$'000</u>
<b>PT Freyabadi Indotama</b>		
- Sales of goods	21	45
- Purchase of products	7,163	12,361
	<b>7,184</b>	<b>12,406</b>

- 14. Negative confirmation pursuant to Rule 705(5)**

On behalf of the Board, we, directors of the Company, Mr Chuang Tiong Choon and Mr Chuang Tiong Liep, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial results of the Group for the 2<sup>nd</sup> Half and Full Year ended 31 December 2020 to be false or misleading.

- 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 the 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 2020 is as follows:

	<b>Indonesia</b>	<b>Regional Markets</b>	<b>Group</b>
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<b>Period ended 31 December 2020</b>			
<b>Sales:</b>			
- Total segment sales	265,612	129,968	395,580
- Inter-segment sales	(10,427)	(33)	(10,460)
Sales to external parties	<u>255,185</u>	<u>129,935</u>	<u>385,120</u>
 EBITDA	 40,833	 3,055	 43,888
 Interest income			 683
Finance costs			(3,153)
Share of results of associated companies and joint ventures			(391)
Income tax expense			(10,170)
 <b>Other segment information</b>			
Depreciation and amortisation	(10,604)	(3,167)	(13,771)
Capital expenditure on property, plant and equipment	2,295	1,744	4,039
 Sales are analysed as:			
- Own Brands	182,814	50,047	232,861
- Agency Brands	72,371	79,888	152,259
Total	<u>255,185</u>	<u>129,935</u>	<u>385,120</u>

The segment information provided to the Executive Committee for the reportable segments for the year ended 31 December 2019 is as follows:

	<b>Indonesia</b>	<b>Regional Markets</b>	<b>Group</b>
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
<b>Period ended 31 December 2019</b>			
<b>Sales:</b>			
- Total segment sales	320,331	131,061	451,392
- Inter-segment sales	<u>(10,665)</u>	<u>(35)</u>	<u>(10,700)</u>
Sales to external parties	<u>309,666</u>	<u>131,026</u>	<u>440,692</u>
EBITDA	55,024	4,617	59,641
Interest income			1,282
Finance costs			(3,670)
Share of results of associated companies and joint ventures			(821)
Income tax expense			(15,361)
<b>Other segment information</b>			
Depreciation and amortisation	(10,594)	(2,826)	(13,420)
Capital expenditure on property, plant and equipment	8,951	3,099	12,050
Sales are analysed as:			
- Own Brands	226,853	50,239	277,092
- Agency Brands	<u>82,813</u>	<u>80,787</u>	<u>163,600</u>
Total	<u>309,666</u>	<u>131,026</u>	<u>440,692</u>

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	
	2020	2019
	<u>US\$'000</u>	<u>US\$'000</u>
EBITDA	43,888	59,641
Adjustments for:		
Interest expense	(3,153)	(3,670)
Interest income	683	1,282
Depreciation of property, plant and equipment	(12,412)	(12,046)
Amortisation of intangible assets	(1,359)	(1,374)
Exceptional items	-	(256)
Profit before tax	<u>27,647</u>	<u>43,577</u>

**(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.

For period ended 31 December	Revenue		Non-Current Assets	
	2020	2019	2020	2019
	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>US\$'000</u>
Indonesia	255,185	309,662	98,885	108,261
Regional Markets:				
Philippines	40,692	42,288	10,727	11,221
Malaysia	81,660	80,054	1,809	2,585
Singapore	2,124	1,985	23,041	23,425
Other countries in Asia	5,459	6,703	-	-
	<u>385,120</u>	<u>440,692</u>	<u>134,462</u>	<u>145,492</u>

**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**

	<b>FY2020</b>	<b>FY2019</b>	<b>Change</b>
	<u><b>US\$'000</b></u>	<u><b>US\$'000</b></u>	<u><b>%</b></u>
(a) Sales reported for first half year	<b>197,130</b>	226,858	(13.1%)
(b) Operating profit/loss after tax before deducting minority interest reported for the first half year	<b>10,819</b>	15,369	(29.6%)
(a) Sales reported for second half year	<b>187,990</b>	213,834	(12.1%)
(b) Operating profit after tax before deducting minority interest reported for the second half year	<b>6,658</b>	12,847	(48.2%)

**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:**

	<b>FY2020</b>	<b>FY2019</b>
	<u><b>US\$'000</b></u>	<u><b>US\$'000</b></u>
Ordinary		
- Interim	<b>7,909</b>	7,640
- Proposed Final	<b>6,600</b>	6,600
Total	<b>14,509</b>	14,240

**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	72	(i)	Husband to Madam Lim Mee Len (Substantial Shareholder)	Executive Director/Chief Executive Officer/Managing Director 1989/2004	N.A.
		(ii)	Brother to Mr Chuang Tiong Liep (Executive Director and Substantial Shareholder)		
		(iii)	Brother to Mr Chuang Tiong Kie (Executive Director)		
Chuang Tiong Liep	69	(i)	Brother to Mr Chuang Tiong Choon (Executive Director/ Chief Executive Officer/ Managing Director and Substantial Shareholder)	Executive Director 1999 / Group Chief Growth and Marketing Officer 2017	N.A.
		(ii)	Brother to Mr Chuang Tiong Kie (Executive Director)		
		(iii)	Brother-in-law to Madam Lim Mee Len (Substantial Shareholder)		
Chuang Tiong Kie	62	(i)	Brother to Mr Chuang Tiong Choon (Executive Director/ Chief Executive Officer/ Managing Director and Substantial Shareholder)	Executive Director 2001	N.A.
		(ii)	Brother to Mr Chuang Tiong Liep (Executive Director and Substantial Shareholder)		
		(iii)	Brother-in-law to Madam Lim Mee Len (Substantial Shareholder)		
Chuang Yok Hoa	71	(i)	Sister to Mr Chuang Tiong Choon (Executive Director/ Chief Executive Officer/ Managing Director and Substantial Shareholder)	Company Secretary 1984	N.A.
		(ii)	Sister to Mr Chuang Tiong Liep (Executive Director and Substantial Shareholder)		
		(iii)	Sister to Mr Chuang Tiong Kie (Executive Director)		
		(iv)	Sister-in-law to Madam Lim Mee Len (Substantial Shareholder)		

BY ORDER OF THE BOARD

Siau Kuei Lian/Evelyn Chuang  
Company Secretaries

24 February 2021