
Unaudited Financial Statements Announcement for the period ended 31 March 2017

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

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

	3 Months	
	01.01.2017 to 31.03.2017	01.01.2016 to 31.03.2016
	S\$'000	S\$'000
Revenue	81,874	110,998
Cost of sales	(53,146)	(68,646)
Gross profit	28,728	42,352
Other income	1,159	1,534
Other gains/(losses) - net	136,488	(1,330)
Expenses		
- Advertising and promotion	(4,842)	(9,425)
- Marketing	(371)	(412)
- Selling and distribution	(15,393)	(19,425)
- Administrative	(6,044)	(7,009)
Share of profit of associated companies and a joint venture	213	206
Profit before income tax	139,938	6,491
Income tax expense	(955)	(1,093)
Net profit for the period attributable to equity holders of the Company	138,983	5,398
Other comprehensive (losses)/income		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets		
- Fair value gains	2,604	18,230
- Reclassification (Note 8 (a))	(138,350)	-
Cash flow hedges		
- Fair value losses	(213)	(537)
- Reclassification	(53)	-
Currency translation differences arising from consolidation		
- (Losses)/Gains	(9,040)	2,417
- Reclassification	1,206	-
Other comprehensive (losses)/income for the period, net of tax	(143,846)	20,110
Total comprehensive (losses)/income attributable to equity holders of the Company	(4,863)	25,508

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Net profit for the period is derived after (crediting)/charging the following:

	3 Months	
	01.01.2017 to 31.03.2017	01.01.2016 to 31.03.2016
	S\$'000	S\$'000
<u>Cost of sales</u>		
Depreciation	1,792	1,678
Write-down of inventories, net	724	521
 <u>Marketing expense</u>		
Depreciation	4	4
 <u>Selling and distribution expense</u>		
Depreciation	748	831
Impairment of trade receivables - net	47	59
 <u>Administrative expense</u>		
Depreciation	800	638
 <u>Other losses/(gains) - net</u>		
Property, plant and equipment written-off	54	22
Fair value gains on available-for-sale financial assets reclassified from other comprehensive income on disposal (Note 8(a))	(138,350)	-
Loss on liquidation of a subsidiary	1,206	-
Currency translation loss - net	723	1,385
Gain on disposal of property, plant and equipment	(5)	(2)
 <u>Other income</u>		
Interest income	(95)	(49)
 <u>Income tax</u>		
Under/(Over) provision of tax in respect of prior years	8	(107)

1(b) Balance Sheets

	Group		Company	
	As at 31.03.2017	As at 31.12.2016	As at 31.03.2017	As at 31.12.2016
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	260,085	92,224	24,336	23,654
Trade and other receivables	70,472	79,712	99,277	99,354
Inventories	57,883	58,006	-	-
Current income tax recoverable	862	1,197	-	-
Available-for-sale financial assets	-	166,670	-	-
	389,302	397,809	123,613	123,008
Non-current assets				
Available-for-sale financial assets	120	100	120	100
Loans to subsidiaries	-	-	22,335	22,563
Investments in associated companies	5,591	5,502	-	-
Investment in a joint venture	791	-*	-	-
Investments in subsidiaries	-	-	442,875	442,875
Investment properties	125,509	128,986	69,005	69,000
Property, plant and equipment	239,200	242,835	3,161	3,029
Deferred income tax assets	1,551	1,628	-	-
	372,762	379,051	537,496	537,567
Total assets	762,064	776,860	661,109	660,575
LIABILITIES				
Current liabilities				
Trade and other payables	69,595	79,650	160,974	161,022
Current income tax liabilities	1,953	1,895	37	37
	71,548	81,545	161,011	161,059
Non-current liabilities				
Provisions for other liabilities and charges	2,271	2,399	-	-
Deferred income tax liabilities	13,304	13,561	393	395
Other non-current liabilities	36	37	-	-
	15,611	15,997	393	395
Total liabilities	87,159	97,542	161,404	161,454
NET ASSETS	674,905	679,318	499,705	499,121
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	224,916	224,916	224,916	224,916
Capital reserve	6,066	6,066	-	-
Other reserves	(75,633)	67,773	2,763	2,313
Retained profits	519,556	380,563	272,026	271,892
TOTAL EQUITY	674,905	679,318	499,705	499,121

* : Amount is less than \$1,000.

1(b)(i) Aggregate amount of group's borrowings and debt securities

The Group and the Company do not have any borrowings and debts securities.

Details of any collateral

Not applicable.

1(c) Consolidated Statement of Cash Flows

	3 Months ended	
	31.03.2017	31.03.2016
	S\$'000	S\$'000
Cash flows from operating activities		
Net profit for the period	138,983	5,398
Adjustments for :		
Income tax expense	955	1,093
Depreciation of property, plant and equipment	3,344	3,151
Share-based payment expense	450	594
Property, plant and equipment written-off	54	22
Unrealised currency translation differences	265	(1,605)
Gain on disposal of property, plant and equipment	(5)	(2)
Fair value gains on available-for-sale financial assets reclassified from other comprehensive income on disposal	(138,350)	-
Loss on liquidation of a subsidiary	1,206	-
Interest income	(95)	(49)
(Write-back of provision)/Provision for retirement benefits	(77)	93
Share of profit of associated companies and a joint venture	(213)	(206)
	6,517	8,489
Changes in working capital :		
Trade and other receivables	7,997	(6,696)
Inventories	(1,107)	3,862
Trade and other payables	(8,889)	5,034
Cash generated from operations	4,518	10,689
Income tax paid	(456)	(503)
Retirement benefits paid	(3)	-
Net cash provided by operating activities	4,059	10,186

1(c) Consolidated Statement of Cash Flows (continued)

	3 Months ended	
	31.03.2017	31.03.2016
	S\$'000	S\$'000
Cash flows from investing activities		
Additions to investment in a joint venture	(791)	-
Proceeds from disposal of property, plant and equipment	5	66
Proceeds from disposal of available-for-sale financial assets	169,274	-
Purchases of property, plant and equipment	(3,773)	(14,431)
Additions to available-for-sale financial assets	(20)	-
Interest received	95	49
Net cash provided by/(used in) investing activities	164,790	(14,316)
Net increase/(decrease) in cash and cash equivalents	168,849	(4,130)
Cash and cash equivalents at beginning of financial period	92,224	112,121
Effects of currency translation on cash and cash equivalents	(988)	(90)
Cash and cash equivalents at end of financial period	260,085	107,901
Represented by:		
Cash at bank and on hand	227,997	40,738
Fixed deposits with financial institutions	32,088	67,163
Cash and cash equivalents as per balance sheet and above	260,085	107,901

1(d)(i) Consolidated Statement of Changes in Equity

For the quarter ended 31 March 2017

	<u>Attributable to equity holders of the Company</u>									
	Share capital	Capital reserve	Property revaluation reserve	Fair value reserve	Foreign currency translation reserve	General reserve	Share-based payment reserve	Hedging reserve	Retained profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2017	224,916	6,066	18,857	135,746	(51,629)	(37,780)	2,313	266	380,563	679,318
Profit for the quarter	-	-	-	-	-	-	-	-	138,983	138,983
Other comprehensive loss for the quarter	-	-	-	(135,746)	(7,834)	-	-	(266)	-	(143,846)
Transfer to retained profits on realisation	-	-	(6)	-	-	(4)	-	-	10	-
Total comprehensive loss for the quarter	-	-	(6)	(135,746)	(7,834)	(4)	-	(266)	138,993	(4,863)
Employee share-based compensation scheme - Value of employee services	-	-	-	-	-	-	450	-	-	450
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	450	-	-	450
Balance at 31 March 2017	224,916	6,066	18,851	-	(59,463)	(37,784)	2,763	-	519,556	674,905

1(d)(i) Consolidated Statement of Changes in Equity (continued)

For the quarter ended 31 March 2016

	Attributable to equity holders of the Company									
	Share capital	Capital reserve	Property revaluation reserve	Fair value reserve	Foreign currency translation reserve	General reserve	Share-based payment reserve	Hedging reserve	Retained profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2016	221,990	6,066	18,881	78,453	(54,553)	(37,765)	2,090	-	363,082	598,244
Profit for the quarter	-	-	-	-	-	-	-	-	5,398	5,398
Other comprehensive income for the quarter	-	-	-	18,230	2,417	-	-	(537)	-	20,110
Transfer to retained profits on realisation	-	-	(6)	-	-	(4)	-	-	10	-
Total comprehensive income for the quarter	-	-	(6)	18,230	2,417	(4)	-	(537)	5,408	25,508
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	594	-	-	594
- Issue of new shares	234	-	-	-	-	-	(234)	-	-	-
Total transactions with owners, recognised directly in equity	234	-	-	-	-	-	360	-	-	594
Balance at 31 March 2016	222,224	6,066	18,875	96,683	(52,136)	(37,769)	2,450	(537)	368,490	624,346

1(d)(i) Statement of Changes in Equity of the Company

For the quarter ended 31 March 2017

	Share capital \$'000	Share- based payment reserve \$'000	Retained profits \$'000	Total \$'000
Balance at 1 January 2017	224,916	2,313	271,892	499,121
Profit and total comprehensive income for the quarter	-	-	134	134
Employee share-based compensation scheme				
- Value of employee services	-	450	-	450
Total transactions with owners, recognised directly in equity	-	450	-	450
Balance at 31 March 2017	224,916	2,763	272,026	499,705

For the quarter ended 31 March 2016

	Share capital \$'000	Share- based payment reserve \$'000	Retained profits \$'000	Total \$'000
Balance at 1 January 2016	221,990	2,090	286,277	510,357
Profit and total comprehensive income for the quarter	-	-	414	414
Employee share-based compensation scheme				
- Value of employee services	-	594	-	594
- Issue of new shares	234	(234)	-	-
Total transactions with owners, recognised directly in equity	234	360	-	594
Balance at 31 March 2016	222,224	2,450	286,691	511,365

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 year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding year of the immediately preceding financial year.

Issued and fully paid ordinary shares ('000):

As at beginning and end of period

3 months ended 31.03.2017
577,702

The Company does not have any convertibles.

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

The Company does not have any treasury shares.

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

Number of issued shares excluding treasury shares ('000)

31.03.2017	31.12.2016
577,702	577,702

The Company does not have any treasury shares.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 March 2017 (31 December 2016: Nil).

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

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any 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.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2016.

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 financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per ordinary share of the Group

	Group	
	3 Months	
	01.01.2017 To 31.03.2017	01.01.2016 To 31.03.2016
Earnings per ordinary share for the period based on net profit attributable to equity holders of the Company during the period:-		
(a) Based on weighted average number of ordinary shares in issue (cents)	24.06	0.94
(b) On a fully diluted basis (cents)	23.98	0.94
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	577,702	575,947
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	579,502	577,186

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	
	31.03.2017 Cents	31.12.2016 Cents	31.03.2017 Cents	31.12.2016 Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares as at the end of the reporting period	116.83	117.59	86.50	86.40

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.**

8(a) Year to Date Results - 3 Months ended 31 March 2017 vs. 3 Months ended 31 March 2016

Food and Beverage division performance

The F&B revenue and gross profit decreased by 26.2% and 32.9% to \$81.87 million and \$26.65 million respectively for the quarter ended 31 March 2017 as compared to the corresponding quarter last year. The decrease in revenue in the current financial quarter was mainly due to disruption of sales in Cambodia arising from a dispute with our distributor (as further detailed in Note 10), delayed shipments for certain markets and general market weakness. The decline in gross profit was mainly due to the lower revenue as explained earlier and higher costs of finished goods in the current quarter. Overall, the F&B division recorded a reduction in segment profit of \$3.37 million in the current quarter mainly due to:

- Lower gross profit of \$13.04 million explained above; and partially offset by
- Lower advertising and promotion expenses of \$4.25 million as we focused on higher impact advertising campaigns and were more efficient in our promotion spending;
- Lower selling and distribution expenses of \$4.06 million primarily as a result of lower level of activity in the current financial quarter; and
- Lower administrative expenses of \$0.78 million mainly due to lower staff costs.

Property division performance

There were no property development or selling activities in the current financial quarter.

Group performance

The Group's net profit after tax attributable to equity holders of the Company increased by \$133.58 million from \$5.40 million recorded in the corresponding financial quarter last year to \$138.98 million in the current financial quarter. This was mainly due to gain on disposal of investment in Super Group Ltd of \$138.35 million and partially offset by loss on liquidation of a subsidiary of \$1.21 million and a reduction in net profit of \$3.27 million generated from F&B division.

8(b) Balance Sheets – 31 March 2017 vs. 31 December 2016

Group

Cash and cash equivalents increased by \$167.87 million from \$92.22 million as at 31 December 2016 to \$260.09 million as at 31 March 2017. The increase was mainly due to proceeds from disposal of available-for-sale financial assets, cash generated from operating activities and partially offset by purchases of property, plant and equipment. Please refer to Note 8(c) for more details.

Trade and other receivables decreased by \$9.24 million from \$79.71 million as at 31 December 2016 to \$70.47 million as at 31 March 2017. The decrease was mainly due to sales levels in the preceding months before the balance sheet dates and collection from customers.

Available-for-sale financial assets (total) decreased by \$166.65 million from \$166.77 million as at 31 December 2016 to \$0.12 million as at 31 March 2017 primarily due to the disposal of investments in the ordinary shares of Super Group Ltd in the current financial quarter.

Trade and other payables decreased by \$10.05 million from \$79.65 million as at 31 December 2016 to \$69.60 million as at 31 March 2017 mainly due to lower accruals.

8(c) Consolidated Statement of Cash Flows

Year to Date - 3 months ended 31 March 2017 vs. 3 months ended 31 March 2016

The Group registered a net increase in cash and cash equivalents of \$168.85 million for the financial quarter ended 31 March 2017.

Net operating cash inflow for the Group of \$4.06 million was mainly contributed by F&B division.

Net cash inflow from investing activities of \$164.79 million was mainly due to proceeds from disposal of available-for-sale financial assets of \$169.27 million and partially offset by purchases of property, plant and equipment of \$3.77 million.

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

Not applicable.

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

In the next 12 months, the Group expects the F&B margins to come under pressure mainly due to soft economic conditions and weak outlook for our key markets; competitive selling prices; and uncertainty in raw material prices. Further, the fluctuations in the regional currencies will have an impact on our results.

During the quarter under review, a dispute has arisen between the Group and the distributor of the Group's beverage products in Cambodia. Pending resolution of the dispute, our sales in Cambodia will remain affected.

We will constantly review our business strategies and operations so that improvements can be made on a continuous basis.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events

11. Contingent Liability

None.

12. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Period

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend is recommended for the financial period reported on.

14. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions.

15. Confirmation that issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

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

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
26 April 2017

STATEMENT PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the period ended 31 March 2017 to be false or misleading in any material respect.

On behalf of the Directors



MELVIN TEO TZAI WIN
Director

26 April 2017



KOH BOON HWEE
Director