

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

	9 Months		3 Months	
	01.01.2019 to 30.09.2019	01.01.2018 to 30.09.2018	01.07.2019 to 30.09.2019	01.07.2018 to 30.09.2018
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	280,138	269,426	93,759	85,569
Cost of sales	(185,970)	(179,381)	(61,245)	(55,314)
Gross profit	94,168	90,045	32,514	30,255
Other income	6,412	4,350	2,760	1,671
Other gains and (losses) - net				
- Gains on disposal and fair value gains/(losses) on financial assets	3,624	1,080	(8)	(2,548)
- Others	14,256	3,827	316	589
Expenses				
- Advertising and promotion	(22,962)	(17,204)	(6,619)	(5,324)
- Marketing	(1,079)	(1,028)	(355)	(330)
- Selling and distribution	(46,153)	(46,799)	(15,180)	(14,670)
- Administrative	(25,064)	(22,972)	(9,143)	(7,374)
- Finance	(541)	-	(176)	-
Share of profit/(loss) of associated companies and a joint venture	296	(42)	(121)	(1,675)
Profit before income tax	22,957	11,257	3,988	594
Income tax expense	(5,605)	(1,059)	(1,227)	(499)
Net profit for the period attributable to equity holders of the Company	17,352	10,198	2,761	95
Other comprehensive income/(losses)				
Items that may be reclassified subsequently to profit or loss:				
Cash flow hedges				
- Fair value (losses)/gains	(58)	(154)	(6)	9
- Reclassification	63	494	7	56
Currency translation gains/(losses) arising from consolidation	414	(1,982)	2,567	(7,060)
Other comprehensive income/(losses) for the period, net of tax	419	(1,642)	2,568	(6,995)
Total comprehensive income/(losses) attributable to equity holders of the Company	17,771	8,556	5,329	(6,900)

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

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

	9 Months		3 Months	
	01.01.2019 to 30.09.2019	01.01.2018 to 30.09.2018	01.07.2019 to 30.09.2019	01.07.2018 to 30.09.2018
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Revenue</u>				
Dividend income	-	(206)	-	(2)
<u>Cost of sales</u>				
Depreciation	4,746	5,098	1,587	1,185
Amortisation of intangible assets	137	-	51	-
Write-down of inventories, net	1,493	2,055	410	477
<u>Marketing expense</u>				
Depreciation	9	11	3	3
<u>Selling and distribution expenses</u>				
Depreciation	3,371	1,899	1,187	523
Impairment of trade receivables - net	149	177	10	60
<u>Administrative expense</u>				
Depreciation	3,395	3,314	1,066	1,109
<u>Other (gains) and losses - net</u>				
Property, plant and equipment written-off	12	39	3	5
Gains on disposal and fair value (gains)/losses on financial assets designated as fair value through profit or loss at initial recognition - net	(3,624)	(1,080)	8	2,548
Currency translation gain - net	(243)	(383)	(238)	(198)
Gain on disposal of property, plant and equipment	(13,738)	(3,003)	(19)	(128)
Gain on disposal of an investment property	(28)	-	-	-
Gain on disposal of an associated company	-	(2)	-	(2)
<u>Other income</u>				
Interest income	(3,926)	(2,455)	(1,440)	(1,044)
<u>Finance expense</u>				
Interest expense on lease liabilities	541	-	176	-
<u>Income tax</u>				
Under/(Over) provision of tax in respect of prior years	626	70	(75)	(142)

1(b) Balance Sheets

	Group		Company	
	As at 30.09.2019	As at 31.12.2018	As at 30.09.2019	As at 31.12.2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	301,208	282,729	16,167	18,916
Trade and other receivables	79,464	70,186	63,894	65,333
Inventories	46,079	61,550	-	-
Current income tax recoverable	1,878	1,881	-	-
Non-current assets classified as held-for-sale	461	838	-	-
	429,090	417,184	80,061	84,249
Non-current assets				
Other financial assets	50	10,457	-	10,326
Loans to subsidiaries	-	-	41,052	41,052
Investments in associated companies	4,748	4,884	-	-
Investment in a joint venture	661	658	-	-
Investments in subsidiaries	-	-	317,758	317,758
Investment properties	50,053	59,131	80,195	65,000
Property, plant and equipment	224,612	212,268	2,697	3,102
Intangible assets	5,326	-	-	-
Deferred income tax assets	2,460	3,856	-	-
	287,910	291,254	441,702	437,238
Total assets	717,000	708,438	521,763	521,487
LIABILITIES				
Current liabilities				
Trade and other payables	59,975	59,967	56,089	45,638
Current income tax liabilities	6,575	1,250	175	133
Lease liabilities	2,538	-	262	-
	69,088	61,217	56,526	45,771
Non-current liabilities				
Lease liabilities	19,232	-	14,684	-
Provisions for other liabilities and charges	1,848	1,836	-	-
Deferred income tax liabilities	9,137	12,253	528	572
	30,217	14,089	15,212	572
Total liabilities	99,305	75,306	71,738	46,343
NET ASSETS	617,695	633,132	450,025	475,144
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	228,245	228,245	228,245	228,245
Capital reserve	6,066	6,066	-	-
Other reserves	(43,774)	(40,838)	-	-
Retained profits	427,158	439,659	221,780	246,899
TOTAL EQUITY	617,695	633,132	450,025	475,144

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

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

Details of any collateral

Not applicable.

1(c) Consolidated Statement of Cash Flows

	9 Months		3 Months	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit for the period	17,352	10,198	2,761	95
Adjustments for :				
Income tax expense	5,605	1,059	1,227	499
Depreciation of property, plant and equipment	11,521	10,322	3,843	2,820
Dividend income	-	(206)	-	(2)
Share-based payment expense	-	124	-	-
Property, plant and equipment written-off	12	39	3	5
Unrealised currency translation differences	284	(1,126)	125	(446)
Gain on disposal of property, plant and equipment	(13,738)	(3,003)	(19)	(128)
Gain on disposal of an investment property	(28)	-	-	-
Gains on disposal and fair value (gains)/losses on financial assets designated as fair value through profit or loss at initial recognition - net	(3,624)	(1,080)	8	2,548
Amortisation of intangible assets	137	-	51	-
Gain on disposal of an associated company	-	(2)	-	(2)
Interest expense	541	-	176	-
Interest income	(3,926)	(2,455)	(1,440)	(1,044)
Provision for retirement benefits	153	226	51	76
Share of (profit)/loss of associated companies and a joint venture	(296)	42	121	1,675
	13,993	14,138	6,907	6,096
Changes in working capital :				
Trade and other receivables	(10,538)	8,123	6,656	6,593
Inventories	15,457	635	(451)	(2,989)
Trade and other payables	67	(14,055)	3,536	(3,310)
Cash generated from operations	18,979	8,841	16,648	6,390
Income tax paid	(1,128)	(767)	(293)	(247)
Retirement benefits paid	(150)	(151)	(58)	(37)
Net cash provided by operating activities	17,701	7,923	16,297	6,106

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

	9 Months		3 Months	
	30.09.2019	30.09.2018	30.09.2019	30.09.2018
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Dividends received	-	206	-	203
Payments for intangible assets	(3,744)	-	(1,341)	-
Proceeds from disposal of property, plant and equipment	15,129	4,099	509	4,048
Proceeds from disposal of an investment property	9,076	578	-	578
Proceeds from disposal of financial assets, at fair value through profit or loss	44,031	-	30,432	-
Proceeds from disposal of an associated company	-	2	-	2
Payments for purchases of property, plant and equipment	(5,526)	(10,779)	(2,255)	(1,725)
Deposits paid for property, plant and equipment	(60)	-	(60)	-
Additions to financial assets, at fair value through profit or loss	(30,000)	-	-	-
Additions to investment properties	(535)	-	(535)	-
Interest received	3,926	2,455	1,440	1,044
Net cash provided by/(used in) investing activities	32,297	(3,439)	28,190	4,150
Cash flows from financing activities				
Dividends paid	(28,995)	(11,588)	(5,799)	-
Interest paid	(541)	-	(176)	-
Repayments of lease liabilities	(1,967)	-	(690)	-
Net cash used in financing activities	(31,503)	(11,588)	(6,665)	-
Net increase/(decrease) in cash and cash equivalents	18,495	(7,104)	37,822	10,256
Cash and cash equivalents at beginning of financial period	282,729	294,843	262,993	278,049
Effects of currency translation on cash and cash equivalents	(16)	206	393	(360)
Cash and cash equivalents at end of financial period	301,208	287,945	301,208	287,945

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

For the financial period ended 30 September 2019

	<u>Attributable to equity holders of the Company</u>								
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Property revaluation reserve</u>	<u>Foreign currency translation reserve</u>	<u>General reserve</u>	<u>Share-based payment reserve</u>	<u>Hedging reserve</u>	<u>Retained profits</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2018	228,245	6,066	6,669	(9,172)	(38,335)	-	-	439,659	633,132
Adoption of SFRS(I) 16 [^]	-	-	-	-	-	-	-	(4,213)	(4,213)
Balance at 1 January 2019	228,245	6,066	6,669	(9,172)	(38,335)	-	-	435,446	628,919
Profit for the period	-	-	-	-	-	-	-	17,352	17,352
Other comprehensive income for the period	-	-	-	414	-	-	5	-	419
Transfer to retained profits on realisation	-	-	(3,343)	-	(12)	-	-	3,355	-
Total comprehensive income for the period	-	-	(3,343)	414	(12)	-	5	20,707	17,771
Dividends paid	-	-	-	-	-	-	-	(28,995)	(28,995)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	(28,995)	(28,995)
Balance at 30 September 2019	228,245	6,066	3,326	(8,758)	(38,347)	-	5	427,158	617,695

[^] : Refer to Note 5 for impact on adoption of SFRS(I) 16.

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

For the financial period ended 30 September 2018

	<u>Attributable to equity holders of the Company</u>								
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Property revaluation reserve</u>	<u>Foreign currency translation reserve</u>	<u>General reserve</u>	<u>Share-based payment reserve</u>	<u>Hedging reserve</u>	<u>Retained profits</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2018	227,563	6,066	6,697	(14,356)	(38,315)	558	(340)	444,277	632,150
Profit for the period	-	-	-	-	-	-	-	10,198	10,198
Other comprehensive loss for the period	-	-	-	(1,982)	-	-	340	-	(1,642)
Transfer to retained profits on realisation	-	-	(22)	-	(17)	-	-	39	-
Total comprehensive income for the period	-	-	(22)	(1,982)	(17)	-	340	10,237	8,556
Employee share-based compensation scheme									
- Value of employee services	-	-	-	-	-	124	-	-	124
- Issue of new shares	682	-	-	-	-	(682)	-	-	-
Dividends paid	-	-	-	-	-	-	-	(11,588)	(11,588)
Total transactions with owners, recognised directly in equity	682	-	-	-	-	(558)	-	(11,588)	(11,464)
Balance at 30 September 2018	228,245	6,066	6,675	(16,338)	(38,332)	-	-	442,926	629,242

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

For the quarter ended 30 September 2019

	<u>Attributable to equity holders of the Company</u>								Total equity \$'000
	Share capital \$'000	Capital reserve \$'000	Property revaluation reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Share-based payment reserve \$'000	Hedging reserve \$'000	Retained profits \$'000	
Balance at 1 July 2019	228,245	6,066	3,332	(11,325)	(38,343)	-	4	430,186	618,165
Profit for the quarter	-	-	-	-	-	-	-	2,761	2,761
Other comprehensive income for the quarter	-	-	-	2,567	-	-	1	-	2,568
Transfer to retained profits on realisation	-	-	(6)	-	(4)	-	-	10	-
Total comprehensive income for the quarter	-	-	(6)	2,567	(4)	-	1	2,771	5,329
Dividends paid	-	-	-	-	-	-	-	(5,799)	(5,799)
Total transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	(5,799)	(5,799)
Balance at 30 September 2019	228,245	6,066	3,326	(8,758)	(38,347)	-	5	427,158	617,695

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

For the quarter ended 30 September 2018

	<u>Attributable to equity holders of the Company</u>								
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Property revaluation reserve</u>	<u>Foreign currency translation reserve</u>	<u>General reserve</u>	<u>Share-based payment reserve</u>	<u>Hedging reserve</u>	<u>Retained profits</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018	228,245	6,066	6,686	(9,278)	(38,323)	-	(65)	442,811	636,142
Profit for the quarter	-	-	-	-	-	-	-	95	95
Other comprehensive loss for the quarter	-	-	-	(7,060)	-	-	65	-	(6,995)
Transfer to retained profits on realisation	-	-	(11)	-	(9)	-	-	20	-
Total comprehensive loss for the quarter	-	-	(11)	(7,060)	(9)	-	65	115	(6,900)
Balance at 30 September 2018	228,245	6,066	6,675	(16,338)	(38,332)	-	-	442,926	629,242

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

For the financial period ended 30 September 2019

	<u>Share capital</u> \$'000	<u>Share- based payment reserve</u> \$'000	<u>Retained profits</u> \$'000	<u>Total</u> \$'000
Balance at 1 January 2019	228,245	-	246,899	475,144
Profit and total comprehensive income for the period	-	-	3,876	3,876
Dividends paid	-	-	(28,995)	(28,995)
Total transactions with owners, recognised directly in equity	-	-	(28,995)	(28,995)
Balance at 30 September 2019	228,245	-	221,780	450,025

For the financial period ended 30 September 2018

	<u>Share capital</u> \$'000	<u>Share- based payment reserve</u> \$'000	<u>Retained profits</u> \$'000	<u>Total</u> \$'000
Balance at 1 January 2018	227,563	558	252,235	480,356
Profit and total comprehensive income for the period	-	-	2,524	2,524
Employee share-based compensation scheme				
- Value of employee services	-	124	-	124
- Issue of new shares	682	(682)	-	-
Dividends paid	-	-	(11,588)	(11,588)
Total transactions with owners, recognised directly in equity	682	(558)	(11,588)	(11,464)
Balance at 30 September 2018	228,245	-	243,171	471,416

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

For the quarter ended 30 September 2019

	<u>Share capital</u> \$'000	<u>Share- based payment reserve</u> \$'000	<u>Retained profits</u> \$'000	<u>Total</u> \$'000
Balance at 1 July 2019	228,245	-	228,394	456,639
Loss and total comprehensive loss for the quarter	-	-	(815)	(815)
Dividends paid	-	-	(5,799)	(5,799)
Total transactions with owners, recognised directly in equity	-	-	(5,799)	(5,799)
Balance at 30 September 2019	228,245	-	221,780	450,025

For the quarter ended 30 September 2018

	<u>Share capital</u> \$'000	<u>Share- based payment reserve</u> \$'000	<u>Retained profits</u> \$'000	<u>Total</u> \$'000
Balance at 1 July 2018	228,245	-	244,769	473,014
Loss and total comprehensive loss for the quarter	-	-	(1,598)	(1,598)
Balance at 30 September 2018	228,245	-	243,171	471,416

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.

	3 months ended 30.09.2019	3 months ended 30.06.2019	3 months ended 31.03.2019
Issued and fully paid ordinary shares ('000):			
As at beginning and end of period	579,911	579,911	579,911

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:-

	30.09.2019	31.12.2018
Number of issued shares excluding treasury shares ('000)	579,911	579,911

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 30 September 2019 (31 December 2018: 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 financial year ended 31 December 2018 except as explained in Note 5 below.

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.

The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases effective on 1 January 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for leases will be measured on transition as if the new rules had always been applied.

The Group has recognised right-of-use assets of \$17,417,000 on 1 January 2019, lease liabilities of \$22,513,000 and deferred income tax assets of \$883,000. As a result, retained profits was \$4,213,000 lower on 1 January 2019.

The Company has recognised right-of-use assets and lease liabilities of \$15,149,000 on 1 January 2019 for its investment property.

Operating cash flows will increase and financing cash flows will decrease as repayment of the principal portion of the lease liabilities will be classified as cash flows from financing activities.

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 9 Months		Group 3 Months	
	01.01.2019 to 30.09.2019	01.01.2018 to 30.09.2018	01.07.2019 to 30.09.2019	01.07.2018 to 30.09.2018
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)	2.99	1.76	0.48	0.02
(b) On a fully diluted basis (cents)	2.99	1.76	0.48	0.02
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	579,911	579,609	579,911	579,911
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	579,911	579,915	579,911	579,911

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	
	30.09.2019 Cents	31.12.2018 Cents	30.09.2019 Cents	31.12.2018 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	106.52	109.18	77.60	81.93

Included in net asset value per ordinary share of the Group is 51.94 cents of cash and cash equivalents per ordinary share as at 30 September 2019 (31 December 2018: 48.75 cents of cash and cash equivalents per ordinary share).

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 - 9 months ended 30 September 2019 vs. 9 months ended 30 September 2018

Group performance

The revenue and gross profit increased by 4.0% and 4.6% to \$280.14 million and \$94.17 million respectively for the financial period ended 30 September 2019 as compared to the corresponding financial period last year mainly due to higher sales in Singapore, Cambodia and Europe during the current financial period. Overall, net profit after tax of the Group increased by \$7.15 million from \$10.20 million recorded in the corresponding financial period last year to \$17.35 million in the current financial period. During the current financial period, we have rationalised our property portfolio to reduce our operating costs base including the disposal of a United States property. Accordingly, this has contributed to higher gain on disposal of property, plant and equipment in other gains. To continue to invest in our brand and protect our market share, we have increased advertising and promotion expenses during the festive seasons in our key markets.

8(b) Third Quarter Results - 3 months ended 30 September 2019 vs. 3 months ended 30 September 2018

Group performance

The revenue and gross profit increased by 9.6% and 7.5% to \$93.76 million and \$32.51 million respectively for the financial quarter ended 30 September 2019 as compared to the corresponding financial quarter last year mainly due to higher sales in Singapore, Cambodia, China and Europe during the current financial quarter. Overall, net profit after tax of the Group increased by \$2.66 million from \$0.10 million recorded in the corresponding financial quarter last year to \$2.76 million in the current financial quarter. This was mainly due to absence of fair value losses on equity investments recognised in the corresponding financial quarter last year.

8(c) Balance Sheets – 30 September 2019 vs. 31 December 2018

Group

Cash and cash equivalents increased by \$18.48 million from \$282.73 million as at 31 December 2018 to \$301.21 million as at 30 September 2019. The increase was mainly due to operating cash inflow from F&B division, net proceeds from disposal of financial assets, investment property and property, plant and equipment; and partially offset by dividends paid to equity holders of the Company. Please refer to Note 8(d) for more details.

Trade and other receivables increased by \$9.27 million from \$70.19 million as at 31 December 2018 to \$79.46 million as at 30 September 2019. The increase was mainly due to increase in and timing of sales.

Inventories decreased by \$15.47 million from \$61.55 million as at 31 December 2018 to \$46.08 million as at 30 September 2019. The decrease was mainly due to the sell-down of stocks after the festive seasons.

Other financial assets decreased by \$10.41 million from \$10.46 million as at 31 December 2018 to \$0.05 million as at 30 September 2019 mainly due to disposal of equity investments during the financial period.

Investment properties decreased by \$9.08 million from \$59.13 million as at 31 December 2018 to \$50.05 million as at 30 September 2019 mainly due to disposal of a property in United States.

Property, plant and equipment and total lease liabilities increased by \$12.34 million and \$21.77 million respectively mainly due to the recognition of right-of-use assets and corresponding lease liabilities on the adoption of SFRS(I) 16 Leases on 1 January 2019. In addition to this, the increase in property, plant and equipment was partially offset by current period's depreciation charge.

Intangible assets increased by \$5.33 million from acquisition of trademark licence, bottling right and software licence.

Current income tax liabilities increased by \$5.33 million from \$1.25 million as at 31 December 2018 to \$6.58 million as at 30 September 2019 mainly due to income tax payable for disposal of a property in United States.

Company

Other financial assets decreased by \$10.33 million due to disposal of equity investments during the financial period.

Investment properties and total lease liabilities increased by \$15.20 million and \$14.95 million respectively mainly due to the adoption of SFRS(I) 16 Leases on 1 January 2019.

Trade and other payables increased by \$10.45 million from \$45.64 million as at 31 December 2018 to \$56.09 million as at 30 September 2019 mainly due to increase in advance from subsidiaries.

Included in trade and other receivables and trade and other payables of the Company as at 30 September 2019 are intercompany balances of \$63.68 million and \$53.83 million respectively (31 December 2018: \$64.74 million and \$43.44 million respectively).

8(d) Consolidated Statement of Cash Flows

Year to Date - 9 months ended 30 September 2019 vs. 9 months ended 30 September 2018

The Group registered a net increase in cash and cash equivalents of \$18.48 million for the financial period ended 30 September 2019.

Net operating cash inflow for the Group of \$17.70 million was mainly contributed by the F&B division.

Net cash inflow from investing activities of \$32.30 million was mainly due to proceeds from disposal of United States property and other non-current assets of \$24.21 million, net proceeds from disposal of financial assets of \$14.03 million, and partially offset by payments for purchases of property, plant and equipment of \$5.53 million.

Net cash outflow from financing activities of \$31.50 million was mainly due to dividends paid to equity holders of the Company.

Third Quarter - 3 months ended 30 September 2019 vs. 3 months ended 30 September 2018

The Group registered a net increase in cash and cash equivalents of \$38.22 million for the financial quarter ended 30 September 2019.

Net operating cash inflow for the Group of \$16.30 million was mainly contributed by the F&B division.

Net cash inflow from investing activities of \$28.19 million was mainly due to proceeds from disposal of financial assets.

Net cash outflow from financing activities of \$6.67 million was mainly due to dividends paid to equity holders of the Company.

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 remain under pressure from the weak consumption outlook for our key markets and competitive selling prices. Fluctuations in raw material prices will also impact the F&B results. In addition, we note significant fluctuations in regional currencies particularly with regards to the Malaysian Ringgit, the Indonesian Rupiah and the Chinese Yuan which will also affect the Group's results. We will continue to grow our sales by rejuvenating our brand; growing our food business; and developing our agency business while we expand our product offerings to cater to the evolving and rapidly changing consumer tastes. On the operational front, we will continue to enhance operational efficiencies, mitigate risks from market fluctuations and make improvements on a continuous basis.

In the recent years, regulators have focused their efforts on promoting lower sugar consumption. Accordingly, we will continue to reformulate our beverage products to promote healthier consumption. In Singapore, as we proactively promote lower sugar consumption for our consumers, today, more than 70 percent of Yeo's beverage sales are from products qualified as healthier choice alternatives. In Malaysia, the Group has reformulated all Yeo's beverages sold in Malaysia to below 5 grams of sugar per 100 millilitres.

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/recommendeded, 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

Winston Paul Wong Chi Huang
Company Secretary
8 November 2019

STATEMENT PURSUANT TO RULE 705(5) 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 30 September 2019 to be false or misleading in any material respect.

On behalf of the Directors



MELVIN TEO TZAI WIN
Director



KOH BOON HWEE
Director

8 November 2019