



Serving Up Goodness

YEO HIAP SENG LIMITED

(Incorporated in Singapore)
(Company Registration No.: 195500138Z)

**Condensed Interim Financial Statements
For the six months ended 30 June 2021**

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YEO HIAP SENG LIMITED

**Condensed Interim Consolidated Statement of Comprehensive Income
For the six months ended 30 June 2021**

	Note	6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000	Change %
Revenue	4	169,324	162,465	4.2
Cost of sales		(115,386)	(114,692)	0.6
Gross profit		53,938	47,773	12.9
Other income		3,564	4,450	(19.9)
Other gains and losses		527	467	12.8
Expenses				
- Marketing and distribution		(42,351)	(42,944)	(1.4)
- Administrative		(15,734)	(17,236)	(8.7)
- Finance		(265)	(325)	(18.5)
Share of profit of associated companies and a joint venture		3	856	(99.6)
Loss before income tax	6	(318)	(6,959)	95.4
Income tax (expense)/credit	7	(887)	230	(485.7)
Net loss attributable to equity holders of the Company		(1,205)	(6,729)	82.1
Other comprehensive (losses)/income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Cash flow hedges				
- Fair value gains		-	107	(100.0)
- Reclassification		-	(62)	100.0
Currency translation differences arising from consolidation				
- (Losses)/Gains		(546)	1,641	(133.3)
- Reclassification		(2)	-	(100.0)
		(548)	1,686	(132.5)
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Financial assets, at fair value through other comprehensive income				
- Fair value (losses)/gains		(7)	232	(103.0)
Other comprehensive (losses)/income, net of tax		(555)	1,918	(128.9)
Total comprehensive losses attributable to equity holders of the Company		(1,760)	(4,811)	63.4
Earnings per share attributable to equity holders of the Company (expressed in cents per share)				
- Basic and diluted		(0.21)	(1.16)	82.1

YEO HIAP SENG LIMITED

**Condensed Interim Balance Sheets
As at 30 June 2021**

	Note	The Group		The Company	
		30 June	31 December	30 June	31 December
		2021	2020	2021	2020
		<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
ASSETS					
Current assets					
Cash and cash equivalents		251,068	264,164	9,087	14,388
Trade and other receivables		65,586	60,925	66,103	64,273
Inventories		45,312	50,245	-	-
Current income tax recoverable		736	696	-	-
		<u>362,702</u>	<u>376,030</u>	<u>75,190</u>	<u>78,661</u>
Non-current assets					
Trade and other receivables		5,911	7,554	4,815	4,941
Other financial assets	10	2,435	2,426	-	-
Loans to subsidiaries		-	-	44,618	44,619
Investments in associated companies		5,015	5,140	-	-
Investment in a joint venture		645	653	-	-
Investments in subsidiaries		-	-	322,758	322,758
Investment properties	13	52,800	52,856	79,700	80,037
Property, plant and equipment	12	230,763	229,306	1,858	2,126
Intangible assets	11	4,837	4,973	-	-
Deferred income tax assets		4,376	3,811	-	-
		<u>306,782</u>	<u>306,719</u>	<u>453,749</u>	<u>454,481</u>
Total assets		<u>669,484</u>	<u>682,749</u>	<u>528,939</u>	<u>533,142</u>
LIABILITIES					
Current liabilities					
Trade and other payables		57,546	64,851	4,159	6,919
Current income tax liabilities		1,067	1,443	65	28
Lease liabilities		2,615	2,951	284	297
		<u>61,228</u>	<u>69,245</u>	<u>4,508</u>	<u>7,244</u>
Non-current liabilities					
Lease liabilities		14,546	15,501	13,432	13,771
Provisions for other liabilities and charges		1,730	1,722	-	-
Deferred income tax liabilities		7,607	8,119	662	662
		<u>23,883</u>	<u>25,342</u>	<u>14,094</u>	<u>14,433</u>
Total liabilities		<u>85,111</u>	<u>94,587</u>	<u>18,602</u>	<u>21,677</u>
NET ASSETS		<u>584,373</u>	<u>588,162</u>	<u>510,337</u>	<u>511,465</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	14	237,814	228,245	237,814	228,245
Capital reserve		6,066	6,066	-	-
Other reserves		(46,979)	(46,405)	-	-
Retained profits		387,472	400,256	272,523	283,220
Total equity		<u>584,373</u>	<u>588,162</u>	<u>510,337</u>	<u>511,465</u>

YEO HIAP SENG LIMITED

**Condensed Interim Statement of Changes in Equity
For the six months ended 30 June 2021**

The Group	← Attributable to equity holders of the Group →								Total equity \$'000	
	Note	Share capital \$'000	Capital reserve \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Hedging reserve \$'000		Retained profits \$'000
2021										
Balance at 1 January 2021		228,245	6,066	3,244	392	(11,642)	(38,399)	-	400,256	588,162
Loss for the period		-	-	-	-	-	-	-	(1,205)	(1,205)
Other comprehensive losses for the period		-	-	-	(7)	(548)	-	-	-	(555)
Transfer to retained profits on realisation		-	-	(12)	-	-	(7)	-	19	-
Total comprehensive losses for the period		-	-	(12)	(7)	(548)	(7)	-	(1,186)	(1,760)
Issue of new shares pursuant to Scrip Dividend Scheme	14	9,569	-	-	-	-	-	-	(9,569)	-
Dividends paid	8	-	-	-	-	-	-	-	(2,029)	(2,029)
Total transactions with owners, recognised directly in equity		9,569	-	-	-	-	-	-	(11,598)	(2,029)
Balance at 30 June 2021		237,814	6,066	3,232	385	(12,190)	(38,406)	-	387,472	584,373

YEO HIAP SENG LIMITED

**Condensed Interim Statement of Changes in Equity
For the six months ended 30 June 2021**

The Group	← Attributable to equity holders of the Group →									
	Note	Share capital \$'000	Capital reserve \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Hedging reserve \$'000	Retained profits \$'000	Total equity \$'000
2020										
Balance at 1 January 2020		228,245	6,066	3,268	-	(11,129)	(38,384)	(48)	427,679	615,697
Loss for the period		-	-	-	-	-	-	-	(6,729)	(6,729)
Other comprehensive income for the period		-	-	-	232	1,641	-	45	-	1,918
Transfer to retained profits on realisation		-	-	(12)	-	-	(7)	-	19	-
Total comprehensive losses for the period		-	-	(12)	232	1,641	(7)	45	(6,710)	(4,811)
Dividends paid	8	-	-	-	-	-	-	-	(17,397)	(17,397)
Total transactions with owners, recognised directly in equity		-	-	-	-	-	-	-	(17,397)	(17,397)
Balance at 30 June 2020		228,245	6,066	3,256	232	(9,488)	(38,391)	(3)	403,572	593,489

YEO HIAP SENG LIMITED

**Condensed Interim Statement of Changes in Equity
For the six months ended 30 June 2021**

The Company

	Note	Attributable to equity holders of the Company		
		Share capital \$'000	Retained profits \$'000	Total equity \$'000
2021				
Balance at 1 January 2021		228,245	283,220	511,465
Profit and total comprehensive income for the period		-	901	901
Issue of new shares pursuant to Scrip Dividend Scheme	14	9,569	(9,569)	-
Dividends paid	8	-	(2,029)	(2,029)
Total transactions with owners, recognised directly in equity		9,569	(11,598)	(2,029)
Balance at 30 June 2021		237,814	272,523	510,337
2020				
Balance at 1 January 2020		228,245	221,029	449,274
Profit and total comprehensive income for the period		-	2,472	2,472
Dividends paid	8	-	(17,397)	(17,397)
Total transactions with owners, recognised directly in equity		-	(17,397)	(17,397)
Balance at 30 June 2020		228,245	206,104	434,349

YEO HIAP SENG LIMITED**Condensed Interim Consolidated Statement of Cash Flows
For the six months ended 30 June 2021**

	6 months ended 30 June 2021	6 months ended 30 June 2020
	<u>\$'000</u>	<u>\$'000</u>
Cash flows from operating activities		
Net loss for the period	(1,205)	(6,729)
Adjustments for:		
- Income tax expense/(credit)	887	(230)
- Interest expense	265	325
- Amortisation of intangible assets	136	137
- Amortisation of capitalised letting fees	35	34
- Depreciation of property, plant and equipment	8,018	8,163
- Dividend income from financial assets designated as fair value through other comprehensive income at initial recognition	(18)	-
- Unrealised currency translation differences	463	(582)
- Fair value gains on investment properties – net	(124)	-
- Loss on disposal of property, plant and equipment – net	12	22
- Gain on liquidation of a subsidiary	(2)	-
- Fair value and disposal (gains)/losses on financial assets designated as fair value through profit or loss at initial recognition – net	(16)	19
- Interest income	(497)	(1,840)
- Provision for retirement benefits	102	101
- Share of profit of associated companies and a joint venture	(3)	(856)
	<u>8,053</u>	<u>(1,436)</u>
Change in working capital:		
- Trade and other receivables	(4,683)	7,392
- Inventories	4,633	6,609
- Trade and other payables	(5,501)	(1,904)
Cash generated from operations	<u>2,502</u>	<u>10,661</u>
Income tax paid	(2,898)	(5,890)
Retirement benefits paid	(73)	(44)
Net cash (used in)/provided by operating activities	<u>(469)</u>	<u>4,727</u>

YEO HIAP SENG LIMITED**Condensed Interim Consolidated Statement of Cash Flows
For the six months ended 30 June 2021**

	6 months ended 30 June 2021	6 months ended 30 June 2020
	<u>\$'000</u>	<u>\$'000</u>
Cash flows from investing activities		
Dividends received	18	-
Proceeds from disposal of property, plant and equipment	16	5
Payments for purchases of and deposits for property, plant and equipment	(9,665)	(5,581)
Additions to financial assets, at fair value through other comprehensive income	-	(1,775)
Interest received	497	1,840
Net cash used in investing activities	<u>(9,134)</u>	<u>(5,511)</u>
Cash flows from financing activities		
Dividends paid, net of scrip dividends	(2,029)	(17,397)
Interest paid	(265)	(325)
Principal payment of lease liabilities	(1,496)	(1,523)
Net cash used in financing activities	<u>(3,790)</u>	<u>(19,245)</u>
Net decrease in cash and cash equivalents	(13,393)	(20,029)
Cash and cash equivalents at beginning of financial period	264,164	295,751
Effects of currency translation on cash and cash equivalents	297	1,073
Cash and cash equivalents at end of financial period	<u>251,068</u>	<u>276,795</u>

YEO HIAP SENG LIMITED

Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

1. Corporate information

Yeo Hiap Seng Limited (the “Company”) is listed on the Singapore Exchange and incorporated and domiciled in Singapore. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group). The principal activities of the Company are those of a management and investment holding company.

The principal activities of the Group are:

- a) Manufacture, sale and distribution of beverages and food products; and
- b) Investment property holding, equity investment holding and property development.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended 31 December 2020. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are:

a) Fair value of investment properties

Investment properties are stated at fair value based on valuations provided by independent professional valuers. The fair values are based on highest-and-best-use basis and certain judgements are required over the valuation techniques and inputs used. The valuation techniques, key inputs, other assumptions and the carrying amounts at the reporting dates are disclosed in Note 13.

b) Valuation of inventories

The Group carries out periodic reviews on inventory obsolescence and any decline in the net realisable value below cost will be recorded against inventory balance. Management considers future demand, expected selling prices and ageing analysis of the inventories as part of its inventory obsolescence assessment process to arrive at their best estimate of the net realisable value of inventories. Such evaluation process requires significant judgement and may affect the carrying amount of inventories at the balance sheet date.

c) Valuation of non-financial assets

The Group assesses at each reporting date whether there is any objective evidence that non-financial assets are impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of the value-in-use and the fair value less costs to sell. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows to be generated by the non-financial assets and to choose a suitable discount rate in order to calculate the present value of those cash flows. Changes in assumptions about these factors could affect the recoverable amount of the non-financial assets at the balance sheet date.

3 Seasonal operations

The Group's performance is normally not affected by seasonal or cyclical events on a year to year basis. However, on a quarter to quarter basis, the demand for certain products may be skewed towards major festivities and weather pattern.

4. Segment information

Management has determined the operating segments based on the reports that are used to make strategic decisions, allocate resources and assess performance by the Group Chief Executive Officer ("CEO").

Based on segment information reported to the CEO, the Group is organised into two main business segments:

- Consumer food and beverage products
- Others

The consumer food and beverages products segment is the main business of the Group which is principally in the business of manufacture, sale and distribution of beverages and food products. Revenue of the segment is primarily derived from sales of beverages and food products and also includes sales of non-food items the Group carries on the distribution network as well as service fees from extending warehousing services to non-related parties. The consumer food and beverage products segment operates across various markets and the CEO assesses performance and makes decisions about resources to be allocated on an overall segment basis.

Others segment of the Group mainly comprise investment property holding, equity investment holding and property development.

YEO HIAP SENG LIMITED

Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

4. Segment information (continued)

The segment information provided to the CEO for the reportable segments is as follows:

	Consumer food and beverage products \$'000	Others \$'000	Elimination \$'000	The Group \$'000
6 months ended 30 June 2021				
Revenue				
- External sales	169,324	-	-	169,324
- Inter-segment sales	-	2,870	(2,870)	-
	<u>169,324</u>	<u>2,870</u>	<u>(2,870)</u>	<u>169,324</u>
(Loss)/Profit from operation	(3,947)	3,891	-	(56)
Share of profit of associated companies and a joint venture	3	-	-	3
Segment (loss)/profit	<u>(3,944)</u>	<u>3,891</u>	<u>-</u>	<u>(53)</u>
Finance expense				(265)
Loss before income tax				(318)
Income tax credit				(887)
Net loss				<u>(1,205)</u>
As at 30 June 2021				
Segment assets/liabilities				
Segment assets	451,380	336,723	(129,391)	658,712
Associated companies and a joint venture				5,660
Unallocated assets				5,112
Consolidated total assets				<u>669,484</u>
Segment liabilities	196,251	12,370	(132,184)	76,437
Unallocated liabilities				8,674
Consolidated total liabilities				<u>85,111</u>
6 months ended 30 June 2021				
Other segment items				
Additions to property, plant and equipment	10,138	-	-	10,138
Fair value gains on financial assets designated as FVPL at initial recognition	-	(16)	-	(16)
Loss on disposal of property, plant and equipment	12	-	-	12
Interest income	(152)	(345)	-	(497)
Depreciation	8,018	-	-	8,018
Amortisation of intangible assets	136	-	-	136
Amortisation of capitalised letting fees	-	35	-	35
Gain on liquidation of a subsidiary	(2)	-	-	(2)
Fair value gain on investment properties – net	-	(124)	-	(124)
Currency translation gain - net	(235)	-	-	(235)

YEO HIAP SENG LIMITED

Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

4. Segment information (continued)

The segment information provided to the CEO for the reportable segments is as follows (continued):

	Consumer food and beverage products \$'000	Others \$'000	Elimination \$'000	The Group \$'000
6 months ended 30 June 2020				
Revenue				
- External sales	162,465	-	-	162,465
- Inter-segment sales	-	2,425	(2,425)	-
	<u>162,465</u>	<u>2,425</u>	<u>(2,425)</u>	<u>162,465</u>
(Loss)/Profit from operation	(10,549)	3,059	-	(7,490)
Share of profit of associated companies and a joint venture	856	-	-	856
Segment (loss)/profit	<u>(9,693)</u>	<u>3,059</u>	<u>-</u>	<u>(6,634)</u>
Finance expense				(325)
Loss before income tax				(6,959)
Income tax credit				230
Net loss				<u>(6,729)</u>
As at 31 December 2020				
Segment assets/liabilities				
Segment assets	460,098	339,787	(127,436)	672,449
Associated companies and a joint venture				5,793
Unallocated assets				4,507
Consolidated total assets				<u>682,749</u>
Segment liabilities	200,295	14,912	(130,182)	85,025
Unallocated liabilities				9,562
Consolidated total liabilities				<u>94,587</u>
6 months ended 30 June 2020				
Other segment items				
Additions to property, plant and equipment	4,915	-	-	4,915
Fair value losses on financial assets designated as FVPL at initial recognition	-	19	-	19
Loss on disposal of property, plant and equipment	22	-	-	22
Interest income	(378)	(1,462)	-	(1,840)
Depreciation	8,163	-	-	8,163
Amortisation of intangible assets	137	-	-	137
Amortisation of capitalised letting fees	-	34	-	34
Currency translation (gain)/loss - net	<u>(388)</u>	<u>7</u>	<u>-</u>	<u>(381)</u>

YEO HIAP SENG LIMITED

**Notes to the Condensed Interim Financial Statements
For the six months ended 30 June 2021**

4.1 Disaggregation of Revenue

	Consumer food and beverage products \$'000	Others \$'000	Total \$'000
<u>6 months ended 30 June 2021</u>			
Types of goods or service:			
Consumer food and beverage products	165,457	-	165,457
- Other products	3,014	-	3,014
- Warehousing services	853	-	853
Total revenue	<u>169,324</u>	-	<u>169,324</u>
Timing of revenue recognition:			
- At point of time	168,471	-	168,471
- Over time	853	-	853
Total revenue	<u>169,324</u>	-	<u>169,324</u>
Geographical information:			
- Singapore	37,150	-	37,150
- Malaysia	73,139	-	73,139
- Other Asia Pacific countries	46,701	-	46,701
- Europe	6,123	-	6,123
- United States of America	6,211	-	6,211
Total revenue	<u>169,324</u>	-	<u>169,324</u>
<u>6 months ended 30 June 2020</u>			
Types of goods or service:			
Consumer food and beverage products	156,053	-	156,053
- Other products	3,963	-	3,963
- Warehousing services	2,449	-	2,449
Total revenue	<u>162,465</u>	-	<u>162,465</u>
Timing of revenue recognition:			
- At point of time	160,016	-	160,016
- Over time	2,449	-	2,449
Total revenue	<u>162,465</u>	-	<u>162,465</u>
Geographical information:			
- Singapore	47,842	-	47,842
- Malaysia	60,722	-	60,722
- Other Asia Pacific countries	45,338	-	45,338
- Europe	3,767	-	3,767
- United States of America	4,796	-	4,796
Total revenue	<u>162,465</u>	-	<u>162,465</u>

YEO HIAP SENG LIMITED

Unaudited Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2021 and 31 December 2020:

	The Group		The Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Financial assets				
Financial asset, at FVPL	44	28	-	-
Financial assets, at FVOCI	2,391	2,398	-	-
Cash and cash equivalents and trade and other receivables net of prepayments and deposits	319,510	329,080	124,614	128,188
	<u>321,945</u>	<u>331,506</u>	<u>124,614</u>	<u>128,188</u>
Financial liabilities				
Trade and other payables including lease liability net of contract liabilities	(74,043)	(82,267)	(17,875)	(20,987)
Net financial assets	<u>247,902</u>	<u>249,239</u>	<u>106,739</u>	<u>107,201</u>

6. Profit before taxation

6.1 Significant items

	The Group	
	2021 \$'000	2020 \$'000
(Income)/Expenses		
Dividend income	(18)	-
Interest income	(497)	(1,840)
Rental Income	(3,049)	(2,610)
Currency translation gain, net	(235)	(381)
Fair value gain on investment properties, net	(124)	-
Interest expense on lease liabilities	265	325
Depreciation	8,018	8,163
Amortisation of intangible assets	136	137
Amortisation of capitalised letting fees	35	34
(Write-back)/Impairment of trade receivables, net	(589)	601
Write-down of inventories, net	595	2,688
Under provision of tax in respect of prior year	-	85
Loss on disposal of property plant and equipment, net	12	22
Fair value (gain)/loss on financial asset designated as FVPL at initial recognition, net	(16)	19

YEO HIAP SENG LIMITED

Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

6.2 Related party transactions

In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties during the financial period at terms agreed between the parties:

	The Group	
	2021	2020
	<u>\$'000</u>	<u>\$'000</u>
Amount billed by Far East Orchard Limited Group:		
- Purchases of services	(1)	(1)
- Rental expense	(14)	(14)
Amount billed to/(by) Sino Land Company Limited Group:		
- Sales of goods	65	29
- Rental expense	(50)	(56)
- Purchases of services	(8)	(10)
Amount billed to/(by) other related parties:		
- Sales of goods	104	207
- Purchase of services	-	(342)
Amount billed to/(by) TM Foods Sdn. Bhd.:		
- Sales of goods	37	7
- Purchases of goods	(3,473)	(2,989)
Operating lease commitment payable to:		
- Far East Orchard Limited Group	(14)	(43)
- Sino Land Company Limited Group	(188)	(28)

Far East Orchard Limited is a fellow subsidiary of the Company.

Sino Land Company Limited is a shareholder of the Company.

TM Foods Sdn. Bhd. is an associated company of the Group.

Other related parties comprise companies that are controlled or significantly influenced by the Group's key management personnel or the shareholders of the Company's ultimate holding company.

YEO HIAP SENG LIMITED

Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

7. Income taxes

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

	The Group	
	2021 \$'000	2020 \$'000
Current income tax expense	1,937	1,705
Deferred income tax credit relating to origination and reversal of temporary differences	(1,050)	(1,935)
	<u>887</u>	<u>(230)</u>

8. Dividends

	The Group	
	2021 \$'000	2020 \$'000
<i>Ordinary dividends paid</i>		
Final dividend paid in respect of the previous financial period of 2 cents (2020: 2 cents) per share, tax exempt (1-tier)		
- new shares issued	9,569	-
- cash	2,029	11,598
Special dividend paid in respect of the previous financial period of nil (2020: 1 cent) per share, tax exempted (1-tier)		
- cash	-	5,799
	<u>11,598</u>	<u>17,397</u>

9. Net Asset Value

	The Group		The Company	
	30 June 2021 Cents	31 December 2020 Cents	30 June 2021 Cents	31 December 2020 Cents
Net asset value per ordinary share	<u>98.94</u>	<u>101.42</u>	<u>86.40</u>	<u>88.20</u>

YEO HIAP SENG LIMITED

Unaudited Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

10. Other financial assets

Other financial assets are analysed as follows:

	The Group	
	30 June 2021 \$'000	31 December 2020 \$'000
<u>Financial assets designated at FVOCI</u>		
Listed equity securities – Hong Kong	488	507
Listed equity securities – USA	1,632	1,631
Listed equity securities – Japan	31	40
Listed equity securities – Europe	240	220
	<hr/>	<hr/>
	2,391	2,398
<u>Financial assets designated at FVPL</u>		
Listed equity securities – Singapore	44	28
	<hr/>	<hr/>
	2,435	2,426

Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The following table presented the assets measured at fair value:

	Level 1 and Total \$'000
The Group	
30 June 2021	
Assets	
Financial assets, at FVPL	44
Financial assets, at FVOCI	2,391
	<hr/>
31 December 2020	
Assets	
Financial assets, at FVPL	28
Financial assets, at FVOCI	2,398
	<hr/>

YEO HIAP SENG LIMITED

Unaudited Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

11. Intangible assets

	Note	The Group	
		30 June 2021 \$'000	31 December 2020 \$'000
<u>Composition:</u>			
Goodwill	(a)	-	-
Trademark licence and bottling right	(b)	3,625	3,727
Computer software licences	(c)	1,212	1,246
		<u>4,837</u>	<u>4,973</u>

(a) Goodwill arising on consolidation

	The Group	
	30 June 2021 \$'000	31 December 2020 \$'000
<i>Cost</i>		
Beginning and end of financial period	5,361	5,361
<i>Accumulated impairment losses</i>		
Beginning and end of financial period	(5,361)	(5,361)
Net book value	<u>-</u>	<u>-</u>

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified within the consumer food and beverage products business segment in the People's Republic of China.

The goodwill in the CGUs was fully impaired in 2008.

(b) Trademark licence and bottling right

	The Group	
	30 June 2021 \$'000	31 December 2020 \$'000
<i>Cost</i>		
Beginning and end of financial period	4,122	4,122
<i>Accumulated amortisation</i>		
Beginning of financial period	(395)	(189)
Amortisation charge	(102)	(206)
End of financial period	<u>(497)</u>	<u>(395)</u>
Net book value	<u>3,625</u>	<u>3,727</u>

Trademark licence and bottling right acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 20 periods, which is the shorter of the estimated useful life and period of contractual right.

YEO HIAP SENG LIMITED

Unaudited Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

11. Intangible assets (continued)

(c) Computer software licences

	The Group	
	30 June 2021 \$'000	31 December 2020 \$'000
<i>Cost</i>		
Beginning and end of financial period	1,341	1,341
<i>Accumulated amortisation</i>		
Beginning of financial period	(95)	(28)
Amortisation charge	(34)	(67)
End of financial period	(129)	(95)
Net book value	1,212	1,246

Acquired computer software licences are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. The cost is amortised to profit or loss using the straight-line method over its estimated useful life of 20 periods.

(d) Amortisation expense on intangible assets included in the consolidated statement of comprehensive income is analysed as follows:

	The Group	
	30 June 2021 \$'000	30 June 2020 \$'000
Cost of sales	102	103
Administrative expenses	34	34
Total	136	137

12. Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired assets amounting to \$10,138,000 (30 June 2020: \$4,915,000) and disposed of assets amounting to \$295,000 (30 June 2020: \$100,000). In addition, the Group received a non-monetary asset from the National Research Foundation Board with a fair value of \$2,278,000 and recognised both asset and grant at a nominal amount.

YEO HIAP SENG LIMITED

Unaudited Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

13. Investment properties

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

	The Group		The Company	
	30 June 2021 \$'000	31 December 2020 \$'000	30 June 2021 \$'000	31 December 2020 \$'000
Beginning of financial period	52,856	52,312	80,037	79,883
Currency translation differences	(145)	788	-	-
Additions	-	-	1,031	4,367
Disposal	-	-	(207)	(592)
Amortisation/Write-down	(35)	(69)	-	-
Net fair value gains/(losses)	124	(175)	(1,161)	(3,621)
End of financial period	<u>52,800</u>	<u>52,856</u>	<u>79,700</u>	<u>80,037</u>

Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year. As at 31 December 2020, the fair values of the investment properties were derived based on the adjusted sales comparison approach, income capitalisation approach and depreciated replacement cost method.

As at 30 June 2021, the Group conducted an internal assessment of the valuation of its investment properties, by considering indicative property valuations obtained from its external valuers, any significant changes in the operating performance of the properties, recent transactions of comparable properties, as well as assessed whether movement in market data, such as capitalisation rates, have any significant impact to the valuation of the investment properties.

The fair value measurement for all investment properties of the Group and the Company of \$52,800,000 (2020: \$52,856,000) and \$79,700,000 (2020: \$80,037,000) respectively, have been categorised as Level 3 fair values.

The following table reconciles the net carrying value of the investment property to the fair value:

	30 June 2021 \$'000	31 December 2020 \$'000
The Company		
Fair value of investment property	66,000	66,000
Add: Carrying amount of lease liabilities	<u>13,700</u>	<u>14,037</u>
Carrying amount of investment property	<u>79,700</u>	<u>80,037</u>

YEO HIAP SENG LIMITED

Unaudited Notes to the Condensed Interim Financial Statements For the six months ended 30 June 2021

13. Investment properties (continued)

Reconciliation of movements in Level 3 fair value measurement

There are no transfers into or out of Level 3 during the periods ended 30 June 2021 and 31 December 2020.

14. Share capital

	30 June 2021		31 December 2020	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
Beginning of financial period	579,911	228,245	579,911	228,245
Issue of new share pursuant to Scrip Dividend Scheme	10,752	9,569	-	-
End of financial period	<u>590,663</u>	<u>237,814</u>	<u>579,911</u>	<u>228,245</u>

The Company has not issued any convertibles nor holds any treasury shares as at 30 June 2021 and 30 June 2020.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2021 and 30 June 2020.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares and subsidiary holdings as at 30 June 2021 and 30 June 2020.

15. Subsequent event

In July 2021, the Group has made a USD1 million investment in the Pre-Series A+ Convertible Preference Shares of Singapore-based, Next Gen Foods Pte. Ltd. (NGF), via YHS Investment Pte. Ltd., a wholly-owned subsidiary of the Group.

**Other Information Required by Listing Rule Appendix 7.2
For the six months ended 30 June 2021**

OTHER INFORMATION

1. **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.**

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

Details of any collateral

Not applicable.

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

The condensed consolidated balance sheets of Yeo Hiap Seng Limited and its subsidiaries as at 30 June 2021 and the related condensed consolidated statement of comprehensive income, condensed statements of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and certain explanatory notes 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.

- 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.

YEO HIAP SENG LIMITED AND ITS SUBSIDIARIES

Other Information Required by Listing Rule Appendix 7.2 For the six months ended 30 June 2021

4. 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	
	6 Months	
	01.01.2021 to 30.06.2021	01.01.2020 to 30.06.2020
Earnings per ordinary share for the period based on net loss attributable to equity holders of the Company during the period:-		
(a) Based on weighted average number of ordinary shares in issue (cents)	(0.21)	(1.16)
(b) On a fully diluted basis (cents)	(0.21)	(1.16)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	580,090	579,911
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	580,090	579,911

YEO HIAP SENG LIMITED AND ITS SUBSIDIARIES

Other Information Required by Listing Rule Appendix 7.2 For the six months ended 30 June 2021

5. 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.
- 5(a) Period to Date Results - 6 months ended 30 June 2021 vs. 6 months ended 30 June 2020

Group performance

Group revenue for H1 FY2021 grew 4.2% Y/Y from \$162.5 million to \$169.3 million, led by strength from most of our markets. More importantly, core Yeo's F&B revenue grew a stellar 14.4% Y/Y to \$153.8 million, accounting for 91% of total Group revenue (H1 FY2020: 83%), in line with the strategy to optimise our portfolio and drive better returns.

Across our key markets, growth momentum was the strongest in Malaysia and China (Mainland China and Hong Kong SAR), with revenue for both of these regions rising 21% Y/Y. This is especially promising given Malaysia's position as one of our home markets and major revenue contributor to the Group, while China is one of our focus markets driving our next phase of growth. Within the Indochina region, we achieved high double-digit revenue growth in Vietnam, albeit coming off a lower base given it is a relatively newer market for the Group.

Gross Profit for H1 FY2021 increased 12.9% Y/Y to \$53.9 million, taking GP margin higher to 31.9% (H1 FY2020: 29.4%). The stronger margin was an outcome of the Group's conscious efforts in improving our sales mix and product portfolio. Coupled with better productivity, the Group was able to significantly reduce our losses by 82% Y/Y to end H1 FY2021 with a net loss of \$1.2 million.

YEO HIAP SENG LIMITED AND ITS SUBSIDIARIES

Other Information Required by Listing Rule Appendix 7.2 For the six months ended 30 June 2021

5(b) Balance Sheets – 30 June 2021 vs. 31 December 2020

Group

Cash and cash equivalents decreased by \$13.1 million from \$264.2 million as at 31 December 2020 to \$251.1 million as at 30 June 2021. The decrease was mainly due to payments for purchases of and deposits for property, plant and equipment of \$9.7 million and dividends paid to equity holders of the Company of \$2.0 million. Please refer to Note 5(c) for more details.

Trade and other payables decreased by \$7.3 million from \$64.9 million as at 31 December 2020 to \$57.6 million as at 30 June 2021 mainly due to payment to suppliers.

Company

Cash and cash equivalents decreased by \$5.3 million from \$14.4 million as at 31 December 2020 to \$9.1 million as at 30 June 2021. The decrease was mainly due to dividends paid to equity holders of the Company of \$2.0 million and payment for trade and other payables.

Included in trade and other receivables and trade and other payables of the Company as at 30 June 2021 are intercompany balances of \$64.7 million and \$0.8 million respectively (31 December 2020: \$63.7 million and \$1.1 million respectively).

5(c) Consolidated Statement of Cash Flows

Period to Date - 6 months ended 30 June 2021 vs. 6 months ended 30 June 2020

The Group registered a net decrease in cash and cash equivalents of \$13.1 million for the financial period ended 30 June 2021.

Net operating cash outflow for the Group of \$0.5 million was mainly contributed by higher trade and other receivables as a result of higher sales.

Net cash outflow from investing activities of \$9.1 million was mainly due to payments for purchases of and deposits for property, plant and equipment of \$9.67 million and partially offset by interest received of \$0.5 million.

Net cash outflow from financing activities of \$3.8 million was mainly due to dividends paid to equity holders of the Company of \$2.0 million and repayment of lease liabilities of \$1.5 million.

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

Not applicable.

YEO HIAP SENG LIMITED AND ITS SUBSIDIARIES

Other Information Required by Listing Rule Appendix 7.2 For the six months ended 30 June 2021

7. 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 period and the next 12 months.

While we are cautiously optimistic about the growth momentum coming from some of our higher growth markets such as China, the operating outlook of our home markets in Malaysia and Singapore, as well as the neighbouring region remains uncertain due to the worsening and/or new waves of Covid-19 infections in some of these countries.

Governmental measures such as the capacity limitations on dining-in at F&B establishments, various degrees of lockdowns and movement controls not only might impact the demand on Yeo's products, but might pose supply chain and production challenges, as the Group has significant production operations in Malaysia. The Group also potentially faces labour shortages at our production facilities from time to time as governmental measures, which evolve with the pandemic situation, restrict workers' movement.

The Group is pleased to update that our collaboration with Sweden-based oat milk company, Oatly, commenced commercial production in July 2021. The facility has the capacity to produce up to 60 million litres of oat milk a year. Production volume will ramp up gradually based on demand.

As part of Yeo's longer term vision to be the leading Asian company in bringing innovative food and beverage products with natural goodness to our consumers, the Group has also, in July 2021, made a US\$1 million investment in the Pre-Series A+ Convertible Preference Shares of Singapore-based, Next Gen Foods Pte. Ltd. (NGF), via YHS Investment Pte. Ltd., a wholly-owned subsidiary of the Group. Backed by Singapore's Temasek Holdings, NGF is in the plant-based food technology business, having launched its first plant-based chicken consumer brand, TINDLE in March 2021.

Overall, the Management team has been keeping close tabs on the ground situation in our various markets and putting in place various plans to mitigate any potential unfavourable impact from the Covid-19 pandemic. We believe that our strong balance sheet puts us in a good position to navigate through this period of uncertainty and provide us the resources to invest for growth and to future-proof ourselves as the opportunities arise.

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

8. If a decision regarding dividend has been made:

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

No dividend is declared for the current financial period reported on.

(b) (i) Amount per Share : None.

(ii) Previous corresponding period : None.

(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. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(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.

Not applicable.

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

The Board of Directors is the Company wishes to advise that the Company does not have a standing practice of declaring interim dividends. Given the current uncertain economic climate, the directors consider it is prudent to conserve cash.

10. 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 Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

11. 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 received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

YEO HIAP SENG LIMITED AND ITS SUBSIDIARIES

**Other Information Required by Listing Rule Appendix 7.2
For the six months ended 30 June 2021**

STATEMENT PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

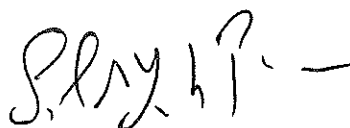
The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial statements for the six months ended 30 June 2021 to be false or misleading in any material respect.

On behalf of the Board of Directors



Ng Win Kong Daryl

Director



Sitoh Yih Pin

Director

10 August 2021