S&P INTERNATIONAL HOLDING LIMITED
椰豐集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1695)

ANNOUNCEMENT OF THE UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

FINANCIAL HIGHLIGHTS

KEY FINANCIAL PERFORMANCE

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Unaudited Six months ended 30 June		
	2020	2019	**% of change**
	RM	*RM*	
Revenue	**42,635,761**	34,133,885	24.9
(Loss)/Profit from operating activities	**(7,320,983)**	1,738,438	>(100)
Net finance (costs)/income	**(369,175)**	84,884	>(100)
Income tax credit/(expense)	**5,022**	(546,988)	>100
(Loss)/Profit attributable to:			
Owners of the Company	**(7,684,067)**	1,284,827	>(100)
Non-controlling interest	**(1,069)**	(8,493)	87.4
	(7,685,136)	1,276,334	>(100)

Consolidated Statement of Financial Position

	30 June 2020 *RM* **(Unaudited)**	31 December 2019 *RM* (Audited)	**% of Change**
Cash and cash equivalents	**30,371,894**	25,606,417	18.6
Loans and borrowings	**41,402,935**	33,613,755	23.2
Net current assets	**54,545,040**	52,582,889	3.9
Net assets	**115,888,077**	120,245,080	(3.6)

KEY FINANCIAL RATIOS

	Unaudited		
	Six months ended 30 June		**Change (% points)**
	2020	2019	
Gross profit margin	**9.8%**	31.0%	(21.3)
Return on equity (annualised)	**(6.5%)**	2.1%	>(100)

	30 June 2020	31 December 2019	
Current ratio (times)[#]	**3.7**	4.0	(7.5)

[#] *Dividing current assets by current liabilities*

INTERIM FINANCIAL INFORMATION

The board (the "**Board**") of directors (the "**Directors**", each a "**Director**") of S&P International Holding Limited (the "**Company**") presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2020 ("**1H2020**") together with the comparative unaudited figures for the corresponding period in 2019 ("**1H2019**") and certain audited figures as at 31 December 2019. All amounts set out in this announcement are presented in Malaysian Ringgit ("**RM**") unless otherwise indicated.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2020

		Six months ended 30 June	
		2020	2019
		RM	*RM*
	Notes	**(Unaudited)**	(Unaudited)
Revenue	*5*	**42,635,761**	34,133,885
Cost of sales		**(38,446,839)**	(23,561,570)
Gross profit		**4,188,922**	10,572,315
Other income	*6*	**231,036**	107,393
Selling and distribution expenses		**(1,704,493)**	(1,500,571)
Administrative expenses		**(6,404,089)**	(6,704,439)
Other expenses		**(3,632,359)**	(736,260)
(Loss)/Profit from operating activities		**(7,320,983)**	1,738,438
Finance income	*7*	**216,330**	353,257
Finance costs	*8*	**(585,505)**	(268,373)
Net finance (costs)/income		**(369,175)**	84,884
(Loss)/Profit before taxation		**(7,690,158)**	1,823,322
Income tax credit/(expense)	*9*	**5,022**	(546,988)
(Loss)/Profit for the period	*10*	**(7,685,136)**	1,276,334
Other comprehensive income for the period			
Item that is or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		**3,328,133**	69,746
Total comprehensive (loss)/income for the period		**(4,357,003)**	1,346,080

	Notes	Six months ended 30 June **2020** *RM* **(Unaudited)**	2019 *RM* (Unaudited)
(Loss)/Profit attributable to:			
Owners of the Company		**(7,684,067)**	1,284,827
Non-controlling interest		**(1,069)**	(8,493)
(Loss)/Profit for the period		**(7,685,136)**	1,276,334
Total comprehensive (loss)/income attributable to:			
Owners of the Company		**(4,354,871)**	1,357,394
Non-controlling interest		**(2,132)**	(11,314)
Total comprehensive (loss)/income for the period		**(4,357,003)**	1,346,080
Basic and diluted (loss)/earnings per share (expressed in Sen)	*11*	**(0.71)**	0.12

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Notes	**30 June 2020** *RM* **(Unaudited)**	31 December 2019 *RM* (Audited)
Assets			
Non-current assets			
Property, plant and equipment	*12*	**89,665,834**	90,918,093
Right-of-use assets	*13*	**5,897,690**	6,149,297
Deferred tax assets		**33,655**	33,655
		95,597,179	97,101,045
Current assets			
Inventories	*14*	**15,952,674**	23,485,240
Current tax asset		**2,309,428**	2,157,471
Trade and other receivables	*15*	**20,892,531**	13,670,848
Derivative financial asset	*16*	**334,000**	63,700
Pledged time deposits	*17*	**5,000,000**	5,000,000
Cash and cash equivalents	*18*	**30,371,894**	25,606,417
		74,860,527	69,983,676
Total Assets		**170,457,706**	167,084,721
Equity and Liabilities			
Equity			
Share capital		**5,941,706**	5,941,706
Share premium		**58,707,916**	58,707,916
Reserves		**51,244,402**	55,599,273
Total equity attributable to equity shareholders of the Company		**115,894,024**	120,248,895
Non-controlling interest		**(5,947)**	(3,815)
Total Equity		**115,888,077**	120,245,080

	Notes	30 June 2020 RM (Unaudited)	31 December 2019 RM (Audited)
Liabilities			
Non-current liabilities			
Loans and borrowings	*19*	**33,174,311**	28,300,928
Lease liabilities	*20*	**113,454**	171,549
Deferred tax liabilities		**966,377**	966,377
		34,254,142	29,438,854
Current Liabilities			
Loans and borrowings	*19*	**8,228,624**	5,312,827
Lease liabilities	*20*	**265,694**	314,510
Trade and other payables	*21*	**10,754,697**	11,542,434
Contract liabilities		**1,048,571**	213,115
Current tax liabilities		**17,901**	17,901
		20,315,487	17,400,787
Total Liabilities		**54,569,629**	46,839,641
Total equity and liabilities		**170,457,706**	167,084,721
Total assets less current liabilities		**150,142,219**	149,683,934

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2020

	Attributable to equity shareholders of the Company						Non-controlling interest	Total equity
	Share capital	Share premium	Other Reserve	Translation reserve	Retained earnings	Total		
	RM	*RM*	*RM*	*RM*	*RM*	*RM*	*RM*	*RM*
(Audited)								
At 1 January 2019, as previously reported	5,941,706	58,707,916	150,200	(1,855,327)	59,717,829	122,662,324	91,832	122,754,156
Adjustment on initial application of IFRS 16, net of tax	—	—	—	—	(15,268)	(15,268)	—	(15,268)
As at 1 January 2019, restated	5,941,706	58,707,916	150,200	(1,855,327)	59,702,561	122,647,056	91,832	122,738,888
Foreign currency translation differences for foreign operations	—	—	—	(553,717)	—	(553,717)	(75,923)	(629,640)
Other comprehensive expense for the year	—	—	—	(553,717)	—	(553,717)	(75,923)	(629,640)
Loss for the year	—	—	—	—	(1,844,444)	(1,844,444)	(19,724)	(1,864,168)
Total comprehensive loss for the year	—	—	—	(553,717)	(1,844,444)	(2,398,161)	(95,647)	(2,493,808)
At 31 December 2019/ 1 January 2020	5,941,706	58,707,916	150,200	(2,409,044)	57,858,117	120,248,895	(3,815)	120,245,080
(Unaudited)								
Foreign currency translation differences for foreign operations	—	—	—	3,329,196	—	3,329,196	(1,063)	3,328,133
Other comprehensive income/ (expense) for the period	5,941,706	58,707,916	150,200	3,329,196	—	3,329,196	(1,063)	3,328,133
Loss for the period	—	—	—	—	(7,684,067)	(7,684,067)	(1,069)	(7,685,136)
Total comprehensive income/(loss) for the period	—	—	—	3,329,196	(7,684,067)	(4,354,871)	(2,132)	(4,357,003)
At 30 June 2020	**5,941,706**	**58,707,916**	**150,200**	**920,152**	**50,174,050**	**115,894,024**	**(5,947)**	**115,888,077**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

		Six months ended 30 June	
		2020	2019
		RM	*RM*
	Notes	**(Unaudited)**	(Unaudited)
Cash flows from operating activities			
(Loss)/Profit before tax		**(7,690,158)**	1,823,322
Adjustments for:			
Depreciation of property, plant and equipment	*10*	**2,523,531**	1,182,717
Depreciation of right-of-use assets	*10*	**326,417**	57,857
Property, plant and equipment written off	*10*	**34,039**	—
Net loss on unrealised foreign exchange differences		**2,843,627**	561,898
Finance costs	*8*	**585,505**	268,373
Finance income	*7*	**(216,330)**	(353,257)
Operating (loss)/profit before working capital changes		**(1,593,369)**	3,540,910
Decrease/(Increase) in inventories		**7,532,566**	(2,201,763)
(Increase)/Decrease in trade and other receivables		**(7,462,622)**	3,274,557
Decrease in trade and other payables		**(3,871,383)**	(2,109,536)
Increase/(Decrease) in contract liabilities		**835,456**	(392,000)
Cash (used in)/generated from operations		**(4,559,352)**	2,112,168
Income tax paid		**(146,935)**	(1,817,176)
Net cash (used in)/from operating activities		**(4,706,287)**	294,992
Cash flows used in investing activities			
Acquisition of property, plant and equipment		**(1,305,311)**	(37,950,542)
Acquisition of right-of-use assets		**(74,810)**	—
Interest received		**216,330**	353,257
Net cash used in investing activities		**(1,163,791)**	(37,597,285)

	Notes	Six months ended 30 June **2020** ***RM*** **(Unaudited)**	 2019 *RM* (Unaudited)
Cash flows from/(used in) financing activities			
Draw down from bank loans		**8,575,000**	20,502,054
Repayments of bank loans		**(780,063)**	(225,087)
Interest and other borrowing costs paid		**(574,114)**	(260,598)
Capital element of finance leases paid		**(106,911)**	(54,020)
Interest element of finance leases paid		**(11,391)**	(7,775)
Net cash generated from financing activities		**7,102,521**	19,954,574
Net increase/(decrease) in cash and cash equivalents		**1,232,443**	(17,347,719)
Cash and cash equivalents at 1 January		**25,606,417**	46,089,253
Effect of foreign exchange rate changes		**3,533,034**	(138,767)
Cash and cash equivalents at 30 June	*18*	**30,371,894**	28,602,767

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 10 November 2016.

The Company is an investment holding company. The Group is principally engaged in the manufacturing and distribution of coconut related food and beverage products such as coconut cream powder, low fat desiccated coconut, coconut milk, coconut water and other related products. The Company's shares (the "**Shares**") in issue have been listed on the Main Board of the Stock Exchange since 11 July 2017 (the "**Listing**").

At the date of this announcement, the Company's ultimate parent company is TYJ Holding Limited ("**TYJ**"), a company incorporated in the British Virgin Islands with limited liability on 8 November 2016, which is wholly owned by Mr. Tang Koon Fook, an executive Director and the chairman of the Company, who is also the sole director of TYJ.

This interim condensed consolidated financial information of the Group for the six months ended 30 June 2020 (the "**Interim Condensed Consolidated Financial Information**"), which has not been audited, was reviewed and approved for issue by the Board on 28 August 2020.

2. BASIS OF PREPARATION

This Interim Condensed Consolidated Financial Information has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), including compliance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting" issued by the International Accounting Standards Board.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and basis of preparation adopted by the Group in the preparation of the Interim Condensed Consolidated Financial Information are consistent with those adopted in the preparation of the audited consolidated financial statements of the Group for the financial year ended 31 December 2019 ("**FY2019**") and described in the annual report of the Company for FY2019 (the "**2019 Annual Report**"), except for the adoption of the following, which became effective for the financial years beginning on or after 1 January 2020:

- Amendments to References to the Conceptual Framework in IFRS Standards

- Amendments to IFRS 3, *Definition of a Business*

- Amendments to IAS 1 and IAS 8, *Definition of Material*

- Amendments to IFRS 9, IAS 39 and IFRS 7, *Interest Rate Benchmark Reform*

- Amendments to IFRS 16, *COVID-19 Related Rent Concessions*

The adoption of the above amendments to IFRSs in the current period has had no material impact on the Group's financial performance and financial position for the current and prior periods.

The Group has not early adopted any new accounting standards or amendments to standards and interpretations which have been issued but not yet effective. The Group will apply such accounting standards, amendments and interpretations that are applicable to the Group as and when they become effective.

4. ESTIMATES

The preparation of the Interim Condensed Consolidated Financial Information requires management to make 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.

In preparing this Interim Condensed Consolidated Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those disclosed in the 2019 Annual Report.

5. REVENUE AND SEGMENT INFORMATION

The principal activities of the Group are the manufacturing and distribution of coconut related food and beverage products such as coconut cream powder, low fat desiccated coconut, coconut milk, coconut water and other related products.

Revenue represented the sales value of coconut related food and beverage products, other non-coconut related food products, freight charges to customers and miscellaneous income, net of trade discounts, rebates and returns.

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
— Coconut related food and beverage products	**41,179,752**	32,798,037
— Others	**1,456,009**	1,335,848
	42,635,761	34,133,885

The Board assesses the performance and allocates the resources of the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the manufacturing and distribution of coconut related food and beverage products. Therefore, management considers that there is only one operating segment under the requirements of IFRS 8, *Operating Segments*. In this regard, no segment information is presented.

Geographical information

The following table sets out information on the geographical locations of the Group's revenue from external customers. The geographical location of customers is based on the location at which the goods are delivered.

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
South East Asia	**14,171,664**	9,645,191
Middle East	**8,697,000**	9,382,530
West Indies	**12,788,881**	7,770,113
North America	**2,025,540**	1,851,830
East Asia	**1,594,925**	1,357,234
Other regions	**3,357,751**	4,126,987
	42,635,761	34,133,885

6. OTHER INCOME

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Income arising from subleasing of right-of-use assets	**102,000**	102,246
Others	**129,036**	5,147
	231,036	107,393

7. FINANCE INCOME

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Interest income of financial assets calculated using the effective interest method at amortised cost	**216,330**	353,257

8. FINANCE COSTS

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Interest expense of financial liabilities that are not at fair value through profit and loss	**574,114**	260,598
Interest expense on lease liabilities	**11,391**	7,775
	585,505	268,373

9. INCOME TAX CREDIT/(EXPENSE)

Income tax in the interim condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Current tax — Malaysian income tax		
Current period	**—**	(125,888)
Over/(Under) provision in prior year	**5,022**	(5,114)
	5,022	(131,002)
Deferred tax		
Origination of temporary differences	**—**	(415,986)
	5,022	(546,988)

10. (LOSS)/PROFIT FOR THE PERIOD

(Loss)/Profit for the period is arrived at after charging:

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Auditors' remuneration	**149,000**	190,730
Depreciation of property, plant and equipment	**2,523,531**	1,182,717
Depreciation of right-of-use assets	**326,417**	57,857
Property, plant and equipment written off	**34,039**	—
Net loss on foreign exchange differences	**3,632,359**	736,260
Personnel expenses (including Directors' emoluments):		
— Wages, salaries and other benefits	**7,353,449**	6,463,268
— Contributions to Employees' Provident Fund	**496,881**	471,632

11. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

	Six months ended 30 June	
	2020	2019
	(Unaudited)	(Audited)
(Loss)/Profit attributable to equity shareholders of the Company (expressed in RM)	**(7,684,067)**	1,234,827
Weighted average number of Shares (unit)	**1,080,000,000**	1,080,000,000
Basic (loss)/earnings per share (expressed in sen)	**(0.71)**	0.12

As at 30 June 2020 and 2019, the Company had not issued any dilutive potential Shares and hence, the diluted (loss)/earnings per share is equal to the basic (loss)/earnings per share.

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Factory and other buildings	Plant and machinery	Motor vehicles	Furniture, fitting and equipment	Construction in progress	Total
	RM	*RM*	*RM*	*RM*	*RM*	*RM*	*RM*
Cost							
At 1 January 2019, as restated	3,797,046	10,042,222	22,738,137	677,720	2,696,530	25,032,367	64,984,022
Additions	5,200,782	237,535	834,690	—	673,738	42,672,931	49,619,676
Disposals	—	—	(57,879)	—	—	—	(57,879)
Written-offs	—	—	—	—	(61)	(5,380)	(5,441)
Reclassifications	—	15,528,908	1,800	—	801,725	(16,332,433)	—
At 31 December 2019/ 1 January 2020	8,997,828	25,808,665	23,516,748	677,720	4,171,932	51,367,485	114,540,378
Additions	—	32,050	322,942	—	94,330	855,989	1,305,311
Write-offs	—	—	—	—	(39,858)	—	(39,858)
Reclassifications	—	(30,083)	48,757,503	—	106,445	(48,833,865)	—
As of 30 June 2020	**8,997,828**	**25,810,632**	**72,597,193**	**677,720**	**4,332,849**	**3,389,609**	**115,805,831**
Accumulated depreciation							
At 1 January 2019, as restated	**—**	**3,002,902**	**15,464,132**	**650,638**	**2,027,643**	**—**	**21,145,315**
Charge for the year	—	591,624	1,486,269	18,144	438,873	—	2,534,910
Disposals	—	—	(57,879)	—	—	—	(57,879)
Write offs	—	—	—	—	(61)	—	(61)
At 31 December 2019/ 1 January 2020	**—**	**3,594,526**	**16,892,522**	**668,782**	**2,466,455**	**—**	**23,622,285**
Charge for the period	—	365,434	1,902,617	7,927	247,553	—	2,523,531
Write-offs	—	—	—	—	(5,819)	—	(5,819)
As of 30 June 2020	**—**	**3,959,960**	**18,795,139**	**676,709**	**2,708,189**	**—**	**26,139,997**
Carrying amounts							
As of 31 December 2019	8,997,828	22,214,139	6,624,226	8,938	1,705,477	51,367,485	90,918,093
As of 30 June 2020	**8,997,828**	**21,850,672**	**53,802,054**	**1,011**	**1,624,660**	**3,389,609**	**89,665,834**

13. RIGHT-OF-USE ASSETS

Group	**Land** *RM*	**Buildings** *RM*	**Others** *RM*	**Total** *RM*
At 1 January 2019	456,836	5,848,362	87,695	6,392,893
Additions	—	237,060	90,949	328,009
Depreciation	(63,215)	(424,250)	(84,140)	(571,605)
At 31 December 2019/ 1 January 2020	393,621	5,661,172	94,504	6,149,297
Additions	—	—	74,810	74,810
Depreciation	(30,457)	(241,803)	(54,157)	(326,417)
As at 30 June 2020	**363,164**	**5,419,369**	**115,157**	**5,897,690**

14. INVENTORIES

	30 June 2020 *RM* **(Unaudited)**	31 December 2019 *RM* (Audited)
Packaging and raw materials	**5,614,423**	6,528,830
Semi finished goods	**5,738,843**	15,104,539
Finished goods	**4,599,408**	1,851,871
	15,952,674	23,485,240
The amount of inventories recognized as an expense is as follows:		
Carrying amount of inventories sold	**38,446,839**	52,152,935

15. TRADE AND OTHER RECEIVABLES

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Trade receivables	**18,928,518**	11,945,659
Deposits, prepayments and other receivables	**1,964,013**	1,725,189
	20,892,531	13,670,848

As of the end of the reporting period, the ageing analysis of trade debtors based on the invoice date is as follows:

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Within one month	**8,861,943**	4,508,410
Over 1 month to 2 months	**5,447,993**	4,327,892
Over 2 months to 3 months	**3,959,090**	2,719,850
Over 3 months	**659,492**	389,507
	18,928,518	11,945,659

16. DERIVATIVE FINANCIAL ASSET

	30 June 2020		
	Nominal value	**Assets**	**Liabilities**
	RM	***RM***	***RM***
		(Unaudited)	
Derivatives at fair value through profit or loss — Forward exchange contracts	**22,200,250**	**334,000**	**—**

	31 December 2019		
	Nominal value	Assets	Liabilities
	RM	*RM*	*RM*
		(Audited)	
Derivatives at fair value through profit or loss			
— Forward exchange contracts	4,156,700	63,700	—

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's receivables denominated in currencies other than the functional currencies of Group's entities. The forward exchange contracts have maturity of less than one year after the end of the reporting period.

17. PLEDGED TIME DEPOSITS

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Time deposits pledged with a licensed bank	**5,000,000**	5,000,000

The current time deposits are pledged to a bank to secure a loan of a subsidiary for a tenure of 5 years with effective interest rates range from 3.30% to 3.65% per annum. The maturities of these time deposits are 6 months and/or 12 months.

18. CASH AND CASH EQUIVALENTS

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Cash on hand	**10,404**	28,113
Balances with licensed banks	**30,361,490**	25,578,304
Cash and cash equivalents	**30,371,894**	25,606,417

19. LOANS AND BORROWINGS

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Non-current		
Bank loans — secured	**33,174,311**	28,300,928
Current		
Bank loans — secured	**8,228,624**	5,312,827
	41,402,935	33,613,755

The bank loans are secured over certain assets of the Group as disclosed under "Pledge of Assets" on page 30 of this announcement.

20. LEASES

The remaining contractual maturities of the Group's lease liabilities are as follows:

	30 June 2020		31 December 2020	
	Present value of minimum lease payments	**Total minimum lease payments**	Present value of minimum lease payments	Total minimum lease payments
	RM	***RM***	*RM*	*RM*
	(Unaudited)	**(Unaudited)**	(Audited)	(Audited)
Total minimum lease payments				
Less than one year	**265,694**	**288,933**	314,510	329,796
One to two years	**98,176**	**106,340**	110,592	115,425
More than two years	**15,278**	**32,090**	60,957	62,200
	379,148	**427,363**	486,059	507,421
Less: total future interest expenses		**(48,215)**		(21,362)
		379,148		486,059
Lease liabilities included in the statement of financial position				
Current	**265,694**		314,510	
Non-current	**113,454**		171,549	

21. TRADE AND OTHER PAYABLES

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Trade payables	**3,314,033**	3,364,807
Prepayments received from customers	**847,394**	821,640
Other payables and accruals	**6,593,270**	7,355,987
	10,754,697	11,542,434

As of the end of the reporting period, the ageing analysis of trade payables based on the invoice date is as follows:

	30 June 2020	31 December 2019
	RM	*RM*
	(Unaudited)	(Audited)
Within one month	**3,075,238**	2,299,520
Over 1 month to 3 months	**232,590**	864,951
Over 3 months to 6 months	**—**	156,165
Over 6 months	**6,205**	44,171
	3,314,033	3,364,807

22. OTHER RESERVE

Other reserve of the Company represents the difference between the par value of the Shares issued and the equity in Edaran Bermutu Sdn. Bhd., Radiant Span Sdn. Bhd., Rasa Mulia Sdn. Bhd. and Shifu Ingredients Sdn. Bhd. acquired from the controlling shareholders on 29 December 2016 pursuant to the share swap as if the current group structure and share swap had occurred on 1 January 2016.

23. DIVIDENDS

At a meeting of the Board held on 28 August 2020, the Directors resolved not to declare the payment of an interim dividend to the shareholders of the Company (the "**Shareholders**") for 1H2020.

24. CAPITAL COMMITMENTS

Capital commitments outstanding at the end of each reporting period not provided for in the interim condensed consolidated financial information are as follows:

	30 June 2020 *RM* **(Unaudited)**	31 December 2019 *RM* (Audited)
Approved but not contracted for:		
Property, plant and equipment	**23,098,340**	24,540,251
Contracted but not provided for:		
Property, plant and equipment	**553,037**	577,871
Total	**23,651,377**	25,118,122

25. RELATED PARTY TRANSACTIONS

Identity of related parties

For the purpose of the interim condensed financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the related party are subject to common control. Related parties may be individuals or entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the directors of the Group, and certain members of senior management of the Group.

Key management personnel compensation

Compensation of key management personnel of the Group is as follows:

	Six months ended 30 June	
	2020	2019
	RM	*RM*
	(Unaudited)	(Unaudited)
Salaries and other benefits	**1,333,014**	1,646,349
Contributions to Employees' Provident Fund	**113,460**	148,721
Discretionary bonuses	**—**	—
	1,446,474	1,795,070

Key management's compensation is included in personnel expenses as disclosed in Note 10 above.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is engaged mainly in the manufacturing and distribution of coconut based food and beverage products. These include coconut cream powder (the "**CCP**"), low fat desiccated coconut (the "**LFDC**"), coconut milk and coconut water, and they are manufactured at the Group's manufacturing facility located at Bagan Datoh, Perak, Malaysia (the "**Perak Plant**"). The Group also manufactures other food products such as non-dairy creamer and other traditional South-east Asian food ingredients, including rice dumplings (ketupat) and toasted coconut paste (kerisik).

The Group is committed to delivering high quality food products and services, meeting customers' expectations and complying with legal requirements. It strives to continuously improve customers' satisfaction and quality of its management processes. It implements strict and comprehensive quality assurance and control procedures throughout all stages of the production process, from the procurement of raw materials to the packaging and delivery of finished products. In this regard, the Group has been accredited with various certifications in relation to quality management and food safety.

During 1H2020, the Group commenced the commercial operations of the ultra-high-temperature liquid production facility at the Perak Plant (the "**UHT Facility**") and the distribution of its new range of products such as coconut milk and coconut water, after obtaining all the relevant approvals and certifications. However, due to the onset of the novel coronavirus disease 2019 (the "**COVID-19**"), the commercial launch of such products was delayed by approximately two months. With the relaxation of the Movement Control Order (the "**MCO**") (that had become the Conditional Movement Control Order (the "**CMCO**") on 4 May 2020) in Malaysia, the Group took the opportunity to introduce such products into the marketplace, through both traditional sales channels such as hypermarkets, supermarkets and other bricks and mortar shops, as well as e-commerce channels.

Sales of such new products have commenced in 1H2020, and are expected to contribute positively to the revenue growth of the Group. We intend to continue our efforts to intensify sales and distribution activities and initiatives in the second half of 2020 and beyond, to continue the growth momentum of our new range of products. In addition, our research and development team will continue their efforts to make innovations and to develop our product range.

FINANCIAL REVIEW

The Group's revenue was approximately RM42.6 million for 1H2020, representing an increase of approximately 24.9%, or RM8.5 million, when compared with that for 1H2019 of approximately RM34.1 million. The increase in revenue was largely attributed to more aggressive sales strategies adopted by the Group to secure more sales volume of coconut cream powder, and the revenue contribution from the Group's new product lines, coconut milk and coconut water, which were commercially launched in 1H2020.

The Group's cost of sales increased by approximately 63.1%, or RM14.9 million, from approximately RM23.6 million for 1H2019 to approximately RM38.5 million for 1H2020, due to the following reasons:

(i) the sharp increase in the average purchase cost of raw coconuts, which is the main component of the raw material costs for the Group. The average purchase cost of raw coconuts increased from approximately RM0.65/kilogramme ("**kg**") in 1H2019 to approximately RM1.02/kg in 1H2020;

(ii) increase in expenses which included depreciation of approximately RM1.4 million relating to the UHT Facility, which commenced commercial operations in 1H2020, being charged to cost of sales; and

(iii) increases in raw and packaging material as well as production costs resulting from higher volume of sales in 1H2020 as compared to those of 1H2019.

The gross profit margin of the Group was lower for 1H2020 at 9.8% when compared to that of 1H2019 at 31.0%. The significant decrease was mainly due to the higher cost of sales as explained above, whereas the average selling price of the Group's products for 1H2020 was roughly the same as that of 1H2019. Meanwhile, total gross profit for 1H2020 decreased by approximately 61.3% or RM6.5 million when compared with that of approximately RM10.6 million for 1H2019.

Further details on comparative changes in revenue and expenses are as follows:

REVENUE

The Group's revenue is mainly derived from the sales of coconut related food and beverage products. Revenue for such products for 1H2020 was RM41.2 million, representing an increase of approximately RM8.4 million, when compared with that for 1H2019 of approximately RM32.8 million. The increase in sales was largely attributed to a more aggressive sales strategy to secure more volume of sales for coconut cream powder, and the revenue contribution from the Group's new product lines, namely coconut milk and coconut water.

Other revenue is mainly made up of sales of ketupat, freight charges to customers and sale of miscellaneous items. In 1H2020, other revenue was approximately RM1.5 million, representing a marginal increase of RM0.2 million from RM1.3 million posted in 1H2019.

OTHER INCOME

In 1H2020, the Group's other income comprised mainly rental income of RM0.1 million and other sundry income of RM0.1 million, the total of which increased by approximately RM0.1 million for 1H2020 as compared to that of 1H2019.

SELLING AND DISTRIBUTION EXPENSES

The Group's selling and distribution expenses of approximately RM1.7 million for 1H2020 were RM0.2 million higher than those of 1H2019, in tandem with the higher revenue achieved in 1H2020.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses of approximately RM6.4 million for 1H2020 were approximately RM0.3 million lower than those of approximately RM6.7 million for 1H2019. This was primarily attributable to cost-cutting measures implemented by the Group, in light of its financial performance.

OTHER EXPENSES

The Group's other expenses for 1H2020 of approximately RM3.7 million related mainly to non-cash foreign exchange translation losses of the Group's borrowings, due to the appreciation of the United States Dollars (the "**USD**") against RM in 1H2020. The Group has drawn down a total of USD7.0 million long term loan from a licensed bank in Malaysia (the "**USD Bank Loan**"), while a subsidiary had obtained an inter-company loan from the Company (the "**USD Intercompany Loan**"), both of which were denominated in USD.

Both the USD Bank Loan and the USD Intercompany Loan were marked-to-market using the foreign exchange rate as at the end of 1H2020 which resulted in the non-cash foreign exchange translation losses. Meanwhile, the non-cash foreign exchange translation gain from the USD Intercompany Loan was recognized in Other Comprehensive Income and therefore not eliminated from Other Expenses.

NET FINANCE INCOME/COSTS

In 1H2020, the Group recorded net finance costs of approximately RM0.4 million, as compared to the net finance income of approximately RM0.1 million in 1H2019. The net finance costs in 1H2020 arose mainly from the loans and borrowings taken by the Group to finance the expansion of the Perak Plant, offset partially by finance income generated from deposits with licensed banks.

INCOME TAX EXPENSE

The Group's income tax expense for 1H2020 was much lower as compared to that of approximately RM0.5 million for 1H2019 as there was no income tax being charged to the Group for 1H2020 in view of the loss before tax for the period.

(LOSS)/PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group recorded a loss attributable to owners of the Company of approximately RM7.8 million for 1H2020, as compared to a profit attributable to owners of the Company of approximately RM1.3 million for 1H2019. This was primarily attributable to the decrease in gross profit and the increase in other expenses and other reasons as discussed above.

FUTURE PROSPECTS AND STRATEGIES

Notwithstanding the loss after tax reported for 1H2020, the Group remains optimistic about its long-term prospects and profitability. The growing consumer trend for vegan food products augurs well for the coconut-based food and beverage industry as coconut may be applied into a wide array of downstream food and beverage products. Demand is further bolstered by the increasing recognition of the nutritional benefits of coconut products. As such, the Group will continue focussing on utilising our core capabilities in product innovation to drive sales.

In addition, the Group will continue to increase brand recognition of its own brands through continuous and aggressive marketing and promotion campaigns via newly appointed distributors as well as through various digital platforms. The management team will also continue focussing on sales of coconut milk, coconut milk beverage and coconut water, including different variants, which are produced in-house at the UHT Facility. We envisage that these products will provide fresh impetus for the Group's future revenue growth.

Last but not least, we are sensitive towards market needs and consumer preferences of our products. The management team will make use of the Group's research and development capabilities and take a consumer-centric approach to meet the requirements and preferences of the consumers. The Group is cognizant of the market trends within the industry in which it operates, and will actively take steps to cater for such trends, including developing new product variants to suit consumer tastes, and leverage on the potential of coconut related products as a healthier alternative to dairy milk products and sweetened carbonated drinks.

EFFECTS OF COVID-19 ON OUR GROUP IN 1H2020

1H2020 coincided with the implementation of the MCO and the subsequent CMCO in Malaysia during the period from 18 March 2020 to 9 June 2020 in an effort to contain the spread of the COVID-19 locally. During the MCO period, all offices and business premises were ordered to be closed, but with certain exemptions. During the CMCO period, strict standard operating procedures (the "**SOPs**") were required to be adhered to for all businesses in order to continue their operations. Our Group is principally involved in one of the exempted sectors during the MCO period, i.e. food supply, and has adhered to the relevant SOPs during the CMCO period. We have, therefore, continued our factory operations during the MCO and CMCO periods and thereafter.

Such MCO and CMCO resulting from the onset of the COVID-19 and also similar measures enforced by various governments in the markets where the Group operates, created challenges to the Group's operations which included, amongst others, our supply chain, factory operations, and customer ordering processes.

As mentioned above, the commercial launch of our new product line was delayed as a result of the MCO. However, the relaxation brought about by the CMCO has allowed us to gradually introduce such products into the marketplace, albeit at a slower pace than was originally anticipated. Efforts are ongoing whereby the Directors will take available steps to mitigate existing and potential challenges arising from the COVID-19, in order to minimise disruptions to our business operations.

In compliance with the Listing Rules, the Directors will make the necessary announcements if they become aware of any circumstances which may adversely affect the financial and operational performance of the Group.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintained a solid financial position and was in a net cash position as at 30 June 2020. The Group was able to repay its obligations when they became due in the ordinary and usual course of business in 1H2020.

CAPITAL STRUCTURE

The Group believes in maintaining a strong capital base as well as the confidence of the investors, creditors and market to sustain future development of the business. The Group continues to maintain an optimal debt-to-equity ratio that complies with its debt covenants.

CASH POSITION

As at 30 June 2020, the Group's cash and cash equivalents were approximately RM30.4 million, representing an increase of approximately RM4.8 million as compared with those of approximately RM25.6 million as at 31 December 2019, as detailed in the interim consolidated statement of cash flows on page 8.

LOANS AND BORROWINGS

As at 30 June 2020, the loans and borrowings amounted to approximately RM41.4 million, representing an increase of approximately RM7.8 million as compared to those of approximately RM33.6 million as at 31 December 2019, attributable primarily to the additional drawdown of term loan facility to partially finance the Group's expansion at the Perak Plant.

PLEDGE OF ASSETS

As at 30 June 2020 and 31 December 2019, the net book value of assets pledged to licensed banks for banking facilities granted to the Group were as follows:

	30 June 2020 *RM* **(Unaudited)**	31 December 2019 *RM* (Audited)
Freehold land	**1,227,196**	1,227,196
Factory buildings and other buildings	**21,187,738**	21,374,138
Plant and machinery	**47,239,263**	48,126,469
Right-of-use assets for a building	**1,939,000**	1,981,000
Pledged time deposits	**5,000,000**	5,000,000
	76,593,197	77,708,803

CAPITAL EXPENDITURES

For 1H2020, the Group had incurred capital expenditure of approximately RM1.3 million as compared to that of approximately RM38.0 million in 1H2019. The capital expenditure was mainly related to the purchase of property, plant and equipment and in line with the expansion plans of the Group.

GEARING RATIO

Gearing ratio equals total debt divided by total equity. As at 30 June 2020, the Group's gearing ratio was approximately 0.36 times (31 December 2019: 0.28 times).

SIGNIFICANT INVESTMENTS AND PLAN FOR MATERIAL CAPITAL COMMITMENTS

Save as disclosed in Note 24 on page 23, the Group did not hold any significant investments or have any plan for material capital commitments as at 30 June 2020.

MATERIALS ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisitions or disposals of subsidiaries, associates and joint ventures during 1H2020 and 1H2019.

FOREIGN EXCHANGE EXPOSURE

The Group undertakes certain transactions denominated in foreign currencies, mainly in USD and Hong Kong dollars ("**HK$**"), and hence, is exposed to exchange rate fluctuations. The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure closely and performs foreign currency transactions for the Group's cashflow needs in keeping the net exposure to an acceptable level.

EMPLOYEES AND REMUNERATION POLICIES

The Group had 318 employees and 307 employees as at 30 June 2020 and 30 June 2019, respectively. Remuneration is determined by reference to prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. Periodic inhouse training is provided to the employees to enhance the knowledge of the workforce. Meanwhile, training programmes conducted by qualified personnel are also attended by our employees to enhance their skills set and working experience.

The Company has adopted a share option scheme (the "**Share Option Scheme**") with effect from 11 July 2017 (the "**Adoption Date**") to enable the Board to grant share options to eligible participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives: (i) motivate eligible participants to optimise their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain an ongoing business relationship with eligible participants whose contributions are or will be beneficial to the long-term growth of the Group. No share options have been granted since the Adoption Date. Therefore, as at 30 June 2020 and the date of this announcement, there was no outstanding share option granted under the Share Option Scheme and no share option lapsed or was exercised or cancelled during 1H2020.

ORIGINAL USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING (THE "IPO")

Reference is made to the prospectus of the Company dated 29 June 2017 (the "**Prospectus**") in relation to the listing of the Shares on the Main Board of the Stock Exchange on 11 July 2017 (the "**Listing**") and the IPO of 270,000,000 Shares at HK$0.48 per Share.

As disclosed in the section headed "Future Plans and Use of Proceeds" of the Prospectus, the Company originally intended to use the net proceeds from the IPO after deducting the relevant one-off and non-recurring listing expenses (the "**Net Proceeds**") for the following purposes:

(i) approximately HK$75.5 million, representing approximately 76.0% of the Net Proceeds for expanding and upgrading the Group's production facilities at the Perak Plant and facilitating the production of the Group's coconut milk products by acquiring and installing machinery and equipment for coconut milk production;

(ii) approximately HK$9.9 million, representing approximately 10.0% of the Net Proceeds will be used for recommissioning of the Group's production facility located at Parit Raja, Johor, Malaysia (the "**Johor Plant**"), which would increase the Group's annual maximum production capacity of its CCP and LFDC by approximately 2,000 metric tonnes ("**MT**") and 1,800 MT respectively;

(iii) approximately HK$2.5 million or 2.5% of the Net Proceeds will be used for advertising and promotion expenses, to facilitate the sales and marketing efforts of the Group in sourcing new customers in different countries;

(iv) approximately HK$2.5 million or 2.5% of the Net Proceeds will be used for investing in new equipment (such as oil extraction equipment) to enhance the Group's research and development (the "**R&D**") capabilities; and

(v) approximately HK$9.0 million or 9.0% of the Net Proceeds will be used for the Group's general corporate purposes and working capital.

The Net Proceeds amounted to approximately HK$90.4 million (equivalent to approximately RM46.8 million based on Bank Negara Malaysia's mid-rate as at 29 December 2017 (being the last trading day of 2017) of HK$1.00:RM0.51795)) (the "**Year End HK$:RM Rate**").

As at 30 June 2020, the Group has utilised approximately RM41.4 million of the Net Proceeds, while approximately RM5.4 million remained unutilised. The following sets forth a summary of the original allocation of the Net Proceeds and its utilisation as at 30 June 2020 (before re-allocation).

Original Use of Net Proceeds	**Approximate original allocation of the Net Proceeds** *(RM 'million)*	**Approximate actual amount of the Net Proceeds utilized before 1 January 2020** *(RM 'million)*	**Approximate actual amount of the Net Proceeds used in the six months ended 30 June 2020** *(RM 'million)*	**Approximate unused amount of the Net Proceeds as at 30 June 2020** *(RM 'million)*
Expanding and upgrading the production facilities at the Perak Plant	35.6	35.6	—	—
Recommissioning of the Johor Plant	4.7	—	—	4.7
Advertising and promotion expenses	1.2	1.2	—	—
Investing in new equipment to enhance the R&D	1.2	0.1	0.4	0.7
General corporate purposes and working capital	4.1	4.1	—	—
Total *(Note)*	46.8	41.0	0.4	5.4

Note:

The Net Proceeds in RM were arrived at after taking into account the Year End HK$:RM Rate. Should there be any further movement in the foreign exchange rate until the actual utilisation of the Net Proceeds, any upward or downward differences will be taken into "general corporate purposes and working capital".

CHANGE IN USE OF THE NET PROCEEDS AND REASONS FOR SUCH CHANGE

As at 30 June 2020, the unutilised Net Proceeds amounted to approximately RM5.4 million (the "**Unutilised Net Proceeds**"). After due and careful consideration on the current business environment and the development needs of the Group, the Board has resolved to re-allocate part of the Unutilised Net Proceeds in the amount of RM4.7 million originally allocated for recommissioning of the Johor Plant to investing in coconut water collection station (the "**CW Station**") at the Perak Plant.

The expected timeline for the full utilisation of the Unutilised Net Proceeds (including investing in the CW Station and investing in new equipment to enhance the R&D) is by 31 December 2021.

At the time of the IPO, the Group's intention was to recommission the Johor Plant, which would increase the annual production capacity of CCP and LFDC by 2,000 MT and 1,800 MT respectively. However, due to changes in the current market conditions, the sales demand level of the Group's CCP is lower than as was originally anticipated at the time of the IPO. Therefore, there is no immediate need to recommission the Johor Plant as the capacity of the Perak Plant is adequate to meet the current demand. In view of the above, it would not be in the best interests of the Company and its shareholders to recommission the Johor Plant, until after the capacity of the Perak Plant has exceeded its optimum level.

As further stated in the Prospectus, approximately 76% of the Net Proceeds were to be used for expanding and upgrading the production facilities at the Perak Plant, of which have now been fully utilized. The Perak Plant is now capable of producing CCP, LFDC, coconut milk and coconut water. The main raw material for the above products is white kernels produced from mature raw coconuts. Currently, the Group sources both raw coconuts and white kernels from third party suppliers.

As part of the current production process, raw coconut water (which is contained inside the raw coconuts) is thrown away. In view of the increased global demand for packaged coconut water, the Group has identified coconut water as a new source of revenue and intends to collect such raw coconut water to be packaged for sale.

As such, the Group will apply the RM4.7 million originally earmarked for the Johor Plant of the Unutilised Net Proceeds to invest in the CW Station. The CW Station will allow the Group to collect raw coconut water in a controlled and hygienic environment, and use the existing production facilities at the Perak Plant to pack such coconut water into convenient packs for sale. In addition, it will also allow the Group to produce more white kernels in-house for its own use and generate more coconut shells to be used in its current biomass boiler, which is an environmentally friendly source of heat.

The Board is of the view that the re-allocation of the Unutilised Net Proceeds will be able to meet the Group's current business and operational needs and is in line with the Group's latest plan of business development. The Board also considers that the proposed change in the use of the Unutilised Net Proceeds will not have any material adverse effect on the existing business and operation of the Group and is in the best interests of the Company and its shareholders as a whole.

The Board will continuously assess the plans for use of the unutilised Net Proceeds, and may revise or amend such plans where necessary to cope with the changing market conditions and strive for better business performance of the Group.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem its listed securities nor did the Company or any of its subsidiaries purchase or sell any of such securities during 1H2020.

CORPORATE GOVERNANCE

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Company so as to achieve effective accountability.

The Company has applied and complied with all the applicable code provisions in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Listing Rules for 1H2020.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "**Model Code**") as its code of conduct regarding the Directors' securities transactions and all the Directors have confirmed, upon specific enquiries made by the Company, that they had complied with the Model Code during 1H2020.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any material event requiring disclosure that has taken place after 30 June 2020 and up to the date of this announcement.

REVIEW OF INTERIM GROUP RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Board (the "**Audit Committee**") was established on 8 June 2017 with written terms of reference in compliance with code provision C.3 of the CG Code and Rule 3.22 of the Listing Rules. Such written terms of reference were revised on 1 January 2019 to conform with the requirements under the CG Code and the Listing Rules.

The Audit Committee has reviewed the unaudited condensed consolidated interim results of the Group for 1H2020 (the "**Interim Group Results**") and agreed to the accounting principles and practices adopted by the Group.

PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND INTERIM REPORT

In accordance with the requirements under the Listing Rules, the interim report containing all the Company's information set out in this announcement including the Interim Group Results will be published on the Company's website (www.spfood.com) and of the Stock Exchange's website (www.hkexnews.hk) in due course in the manner as required by the Listing Rules.

By order of the Board,
S&P International Holding Limited
Tang Koon Fook
Chairman and Executive Director

Hong Kong, 28 August 2020

As at the date of this announcement, the Board comprises seven Directors, including four executive Directors, namely Mr. Tang Koon Fook (Chairman), Mr. Lee Sieng Poon, Mr. Yap Boon Teong and Ms. Wong Yuen Lee; and three independent non-executive Directors, namely Mr. Fung Che Wai Anthony, Mr. Ng Hock Boon and Mr. Lim Sey Hock.