



S&P International Holding Limited 椰豐集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1695

INTERIM REPORT

中期報告

2022



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Tang Koon Fook (*Chairman*)
Mr. Lee Sieng Poon (*Managing Director*)
Mr. Yap Boon Teong
Ms. Wong Yuen Lee

Independent Non-Executive Directors

Mr. Lee King Fui (*appointed on 1 January 2022*)
Mr. Lim Sey Hock
Dato' Mohd Ibrahim Bin Mohd Nor (*appointed on 24 May 2022*)
Mr. Ng Hock Boon (*retired on 24 May 2022*)

BOARD COMMITTEES

Audit Committee

Mr. Lee King Fui (*Chairman*) (*appointed on 1 January 2022*)
Mr. Lim Sey Hock
Dato' Mohd Ibrahim Bin Mohd Nor (*appointed on 24 May 2022*)
Mr. Ng Hock Boon (*retired on 24 May 2022*)

Remuneration Committee

Mr. Lim Sey Hock (*Chairman*)
Mr. Tang Koon Fook
Dato' Mohd Ibrahim Bin Mohd Nor (*appointed on 24 May 2022*)
Mr. Ng Hock Boon (*retired on 24 May 2022*)

Nomination Committee

Mr. Tang Koon Fook (*Chairman*)
Mr. Lim Sey Hock
Dato' Mohd Ibrahim Bin Mohd Nor (*appointed on 24 May 2022*)
Mr. Ng Hock Boon (*retired on 24 May 2022*)

Sanctions Oversight Committee

Mr. Lee Sieng Poon (*Chairman*)
Ms. Wong Yuen Lee



Corporate Information (Continued)

COMPANY SECRETARY	Ms. Leung Ho Yee
AUTHORISED REPRESENTATIVES	Mr. Tang Koon Fook Ms. Leung Ho Yee
REGISTERED OFFICE IN THE CAYMAN ISLANDS	89 Nexus Way Camana Bay Grand Cayman, KY1-9009 Cayman Islands
HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN MALAYSIA	No. 27–3, Jalan PJU 5/13, Dataran Sunway Kota Damansara 47810 Petaling Jaya Selangor Darul Ehsan Malaysia
PRINCIPAL PLACE OF BUSINESS IN HONG KONG	31/F., 148 Electric Road North Point Hong Kong
COMPANY'S WEBSITE	www.spfood.com
LEGAL ADVISOR	<i>As to Hong Kong law:</i> TC & Co, Solicitors
INDEPENDENT AUDITORS	Mazars PLT, Chartered Accountants Public Interest Entity Auditor recognised in accordance with the Financial Reporting Council Ordinance in Hong Kong
PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS	Ogier Global (Cayman) Limited 89 Nexus Way Camana Bay Grand Cayman, KY1-9009 Cayman Islands



Corporate Information (Continued)

**HONG KONG BRANCH
SHARE REGISTRAR AND
TRANSFER OFFICE**

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point, Hong Kong

LISTING INFORMATION

Place of Listing

Main Board of The Stock Exchange of
Hong Kong Limited

Stock Code

1695

Board Lot

5,000 shares

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
CIMB Bank Berhad
Public Bank Berhad

**INVESTOR RELATIONS
CONTACT**

info@spfood.com



Financial Highlights

Key Financial Performance

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended 30 June		% of change
	2022 RM (Unaudited)	2021 RM (Unaudited)	
Revenue	49,421,471	43,494,431	13.63
Loss from operations	(201,206)	(8,689,006)	(97.68)
Net finance costs	(451,261)	(261,168)	72.79
Income tax expense	—	—	—
Loss attributable to:			
Owners of the Company	(651,929)	(8,949,570)	(92.72)
Non-controlling interest	(538)	(604)	(10.93)
	(652,467)	(8,950,174)	(92.71)

Consolidated Statement of Financial Position

	30 June	31 December	% of change
	2022 RM (Unaudited)	2021 RM (Audited)	
Cash and cash equivalents	6,954,167	13,331,950	(47.84)
Loans and borrowings	33,592,470	34,933,641	(3.84)
Net current assets	27,458,185	31,812,869	(13.69)
Net assets	117,638,091	114,938,640	2.35



Financial Highlights (Continued)

Key Financial Ratios

	Six months ended 30 June		% of Change
	2022 (Unaudited)	2021 (Unaudited)	
Gross profit margin	17.0%	3.1%	>100
Return on equity (annualised)	4.8%	(12.2%)	>100

	30 June	31 December	
	2022 (Unaudited)	2021 (Audited)	
Current ratio (times)#	1.8	2.1	(14.29)

Dividing current assets by current liabilities



Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2022

	Notes	Six months ended 30 June	
		2022 RM (Unaudited)	2021 RM (Unaudited)
Revenue	5	49,421,471	43,494,431
Cost of sales		(41,001,999)	(42,151,336)
Gross profit		8,419,472	1,343,095
Other income	6	2,412,182	206,848
Selling and distribution expenses		(2,105,676)	(2,072,881)
Administrative expenses		(4,973,729)	(5,459,490)
Other expenses		(3,953,455)	(2,706,578)
Loss from operations		(201,206)	(8,689,006)
Finance income	7	2,964	174,593
Finance costs	8	(454,225)	(435,761)
Net finance costs		(451,261)	(261,168)
Loss before taxation		(652,467)	(8,950,174)
Income tax expense		—	—
Loss for the period	9	(652,467)	(8,950,174)
Other comprehensive income for the period			
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation differences for foreign operations		3,351,918	2,066,195
Total comprehensive income/ (loss) for the period		2,699,451	(6,883,979)



Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

For the six months ended 30 June 2022

	Notes	Six months ended 30 June	
		2022 RM (Unaudited)	2021 RM (Unaudited)
Loss attributable to:			
Owners of the Company		(651,929)	(8,949,570)
Non-controlling interest		(538)	(604)
Loss for the period		(652,467)	(8,950,174)
Total comprehensive income/ (loss) attributable to:			
Owners of the Company		2,702,230	(6,883,118)
Non-controlling interest		(2,779)	(861)
Total comprehensive income/ (loss) for the period		2,699,451	(6,883,979)
Basic and diluted loss per share (expressed in Sen)	10	(0.06)	(0.83)



Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Assets			
Non-current assets			
Property, plant and equipment	11	107,725,587	103,732,225
Right-of-use assets	12	5,089,239	5,260,107
Deferred tax assets		141,023	141,023
		112,955,849	109,133,355
Current assets			
Inventories	13	25,122,391	23,000,185
Current tax asset		1,894,737	1,838,896
Trade and other receivables	14	25,756,246	21,036,536
Pledged time deposits	15	2,120,417	2,120,417
Cash and cash equivalents	16	6,954,167	13,331,950
		61,847,958	61,327,984
Total Assets		174,803,807	170,461,339
Equity and Liabilities			
Equity			
Share capital		5,941,706	5,941,706
Share premium		58,707,916	58,707,916
Reserves		52,926,665	50,224,435
Total equity attributable to equity shareholders of the Company		117,576,287	114,874,057
Non-controlling interest		61,804	64,583
Total Equity		117,638,091	114,938,640



Interim Condensed Consolidated Statement of
Financial Position (Continued)

As at 30 June 2022

	Notes	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Liabilities			
Non-current liabilities			
Loans and borrowings	17	21,575,110	24,794,460
Lease liabilities	18	16,161	28,452
Deferred tax liabilities		1,184,672	1,184,672
		22,775,943	26,007,584
Current Liabilities			
Loans and borrowings	17	12,017,360	10,139,181
Lease liabilities	18	154,127	239,679
Trade and other payables	19	19,850,080	17,223,916
Contract liabilities		2,368,206	1,912,339
		34,389,773	29,515,115
Total Liabilities		57,165,716	55,522,699
Total equity and liabilities		174,803,807	170,461,339
Total assets less current liabilities		140,414,034	140,946,224



Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2022

	Attributable to equity shareholders of the Company							
	Share capital	Share premium	Other reserve	Translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
	RM	RM	RM	RM	RM	RM	RM	RM
(Audited)								
As at 1 January 2021	5,941,706	58,707,916	150,200	(3,312,941)	54,841,064	116,327,945	67,239	116,395,184
Foreign currency translation differences for foreign operations	—	—	—	1,949,092	—	1,949,092	(419)	1,948,673
Other comprehensive income for the year	—	—	—	1,949,092	—	1,949,092	(419)	1,948,673
Loss for the year	—	—	—	—	(3,402,980)	(3,402,980)	(2,237)	(3,405,217)
Total comprehensive loss for the year	—	—	—	1,942,092	(3,402,980)	(1,453,888)	(2,656)	(1,456,544)
At 31 December 2021/ 1 January 2022	5,941,706	58,707,916	150,200	(1,363,849)	51,438,084	114,874,057	64,583	114,938,640
(Unaudited)								
Foreign currency translation differences for foreign operations	—	—	—	3,354,159	—	3,354,159	(2,241)	3,351,918
Other comprehensive income for the period	—	—	—	3,354,159	—	3,354,159	(2,241)	3,351,918
Loss for the period	—	—	—	—	(651,929)	(651,929)	(538)	(652,467)
Total comprehensive income for the period	—	—	—	3,354,159	(651,929)	2,702,230	(2,779)	2,699,451
At 30 June 2022	5,941,706	58,707,916	150,200	1,990,310	50,786,155	117,576,287	61,804	117,638,091



Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2022

	Notes	Six months ended 30 June	
		2022 RM (Unaudited)	2021 RM (Unaudited)
Cash flows from operating activities			
Loss before tax		(652,467)	(8,950,174)
Adjustments for:			
Depreciation of property, plant and equipment	9	3,020,302	3,067,843
Depreciation of right-of-use assets	9	302,280	353,772
Property, plant and equipment written off	9	1,633	—
Inventory written off	9	612,857	157,578
Net loss on unrealised foreign exchange differences		4,747,439	2,760,569
Finance costs	8	454,225	435,761
Finance income	7	(2,964)	(174,593)
Operating profit/(loss) before working capital changes		8,483,305	(2,349,244)
(Increase)/Decrease in inventories		(2,735,063)	3,846,033
Increase in trade and other receivables		(4,700,203)	(5,070,992)
(Decrease)/Increase in trade and other payables		(107,448)	6,210,900
Increase/(Decrease) in contract liabilities		455,867	(363,293)
Cash generated from operations		1,396,458	2,273,404
Income tax paid		(64,206)	(136,481)
Net cash from operating activities		1,332,252	2,136,923



Interim Condensed Consolidated
Statement of Cash Flows (Continued)

For the six months ended 30 June 2022

	Notes	Six months ended 30 June	
		2022 RM (Unaudited)	2021 RM (Unaudited)
Cash flows used in investing activities			
Acquisition of property, plant and equipment		(4,506,783)	(7,965,360)
Decrease in derivative financial asset		—	262,940
Interest received		2,964	174,593
Net cash used in investing activities		(4,503,819)	(7,527,827)
Cash flows used in financing activities			
Repayments of bank loans		(1,697,365)	(4,243,440)
Interest and other borrowing costs paid		(450,051)	(426,834)
Capital element of leases paid		(137,535)	(192,073)
Interest element of leases paid		(4,174)	(8,927)
Net cash used in financing activities		(2,289,125)	(4,871,274)
Net decrease in cash and cash equivalents		(5,460,692)	(10,262,178)
Cash and cash equivalents at 1 January		13,331,950	32,592,186
Effect of foreign exchange rate changes		(917,091)	1,956,094
Cash and cash equivalents at 30 June	16	6,954,167	24,286,102



Notes to the Interim Condensed Consolidated Financial Information

1. General Information

S&P International Holding Limited (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 Company and its subsidiaries (the “**Group**”) is principally engaged in the manufacturing and distribution of coconut related food and beverage products such as coconut cream powder (the “**CCP**”), low fat desiccated coconut (the “**LFDC**”), coconut milk, coconut water and coconut spread. The Group also manufactures other food products such as non-dairy creamer and other traditional South-east Asian food ingredients such as rice dumplings (ketupat) and toasted coconut paste (kerisik). The Company’s shares (the “**Shares**”) in issue have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 11 July 2017 (the “**Listing**”).

At the date of this interim report, 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 of the Company (the “**Director**”) and the chairman of the board of Directors (the “**Board**”), who is also the sole director of TYJ.

This interim condensed consolidated financial information of the Group for the six months ended 30 June 2022 (the “**1H2022**” and the “**Interim Condensed Consolidated Financial Information**”, respectively), which has not been audited, was reviewed and approved for issue by the Board on 25 August 2022.



Notes to the Interim Condensed Consolidated Financial Information (Continued)

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.

All amounts set out in this interim report are presented in Malaysian Ringgit (“**RM**”) unless otherwise indicated.

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 2021 (“**FY2021**”) and described in the annual report of the Company for FY2021 (the “**2021 Annual Report**”), except for the adoption of the following, which became effective for the financial years beginning on or after 1 January 2022:

- Amendments to IFRS 1, IFRS 9, IAS 16, IAS 37, IAS 41, IFRS 3 and IFRS 16

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.



Notes to the Interim Condensed Consolidated Financial Information (Continued)

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 2021 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 CCP, LFDC, coconut milk, coconut water, coconut spread 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	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
— Coconut related food and beverage products	46,324,361	40,595,194
— Others	3,097,110	2,899,237
	49,421,471	43,494,431



Notes to the Interim Condensed Consolidated Financial Information (Continued)

5. Revenue and Segment Information (Continued)

The chief operating decision maker of the Group assess 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 CCP, LFDC, coconut milk, coconut water and other related 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	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
South East Asia	16,036,995	18,120,674
Middle East	7,323,810	6,557,742
West Indies	14,779,875	11,107,960
North America	5,885,684	1,290,748
East Asia	3,778,168	3,199,265
Other regions	1,616,940	3,218,042
	49,421,471	43,494,431



Notes to the Interim Condensed
Consolidated Financial Information (Continued)**6. Other Income**

	Six months ended 30 June	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
Income arising from subleasing of right-of-use assets	90,000	90,000
Insurance claims	1,755,535	—
Others	566,647	116,848
	2,412,182	206,848

7. Finance Income

	Six months ended 30 June	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
Interest income of financial assets calculated using the effective interest method at amortised cost	2,964	174,593



Notes to the Interim Condensed
Consolidated Financial Information (Continued)

8. Finance Costs

	Six months ended 30 June	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
Interest expense of financial liabilities that are not at fair value through profit and loss	450,051	426,834
Interest expense on lease liabilities	4,174	8,927
	454,225	435,761

9. Loss for the Period

Loss for the period is arrived at after charging:

	Six months ended 30 June	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
Auditors' remuneration	165,631	143,075
Depreciation of property, plant and equipment	3,020,302	3,067,843
Depreciation of right-of-use assets	302,280	353,772
Property, plant and equipment written off	1,633	—
Inventory written off	612,857	157,578
Net loss on foreign exchange differences	3,953,455	2,706,578
Personnel expenses (including Directors' emoluments):		
— Wages, salaries and other benefits	6,122,863	6,872,185
— Contributions to Employees' Provident Fund	472,813	461,549



Notes to the Interim Condensed
Consolidated Financial Information (Continued)**10. Loss Per Share Attributable to Equity
Shareholders of the Company**

	Six months ended 30 June	
	2022	2021
	(Unaudited)	(Unaudited)
Loss attributable to equity shareholders of the Company (expressed in RM)	(651,929)	(8,949,570)
Weighted average number of Shares (unit)	1,080,000,000	1,080,000,000
Basic loss per Share (expressed in Sen)	(0.06)	(0.83)

As at 30 June 2022 and 2021, the Company had not issued any dilutive potential Shares and hence, the diluted loss per Share is equal to the basic loss per Share.



Notes to the Interim Condensed Consolidated Financial Information (Continued)

11. Property, Plant and Equipment

	Freehold land RM	Factory and other buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture, fitting and equipment RM	Construction in progress RM	Total RM
(Audited)							
Cost							
At 1 January 2021	8,997,828	26,370,302	74,586,239	689,720	4,437,684	4,683,654	119,765,427
Additions	–	267,463	4,351,913	–	196,071	14,701,499	19,516,946
Written-offs	–	–	(670,827)	–	(37,201)	(96,149)	(804,177)
Reclassifications	–	(12,780,112)	(6,835,260)	–	2,200	(5,947,052)	–
At 31 December 2021/ 1 January 2022	8,997,828	39,417,877	71,432,065	689,720	4,598,754	13,341,952	138,478,196
(Unaudited)							
Additions	–	120,839	1,263,515	–	29,625	5,601,318	7,015,297
Written-offs	–	–	(1,700)	–	(10,642)	(855)	(13,197)
Reclassifications	–	–	94,500	–	–	(94,500)	–
As of 30 June 2022	8,997,828	39,538,716	72,788,380	689,720	4,617,737	18,847,915	145,480,296
(Audited)							
Accumulated depreciation							
At 1 January 2021	–	4,392,304	21,951,530	678,913	2,962,507	–	29,985,254
Charge for the year	–	955,958	3,796,582	2,400	520,287	–	5,275,227
Written-offs	–	–	(480,989)	–	(33,521)	–	(514,510)
At 31 December 2021/ 1 January 2022	–	5,348,262	25,267,123	681,313	3,449,273	–	34,745,971
(Unaudited)							
Charge for the period	–	599,932	2,163,149	1,199	256,022	–	3,020,302
Written-offs	–	–	(924)	–	(10,640)	–	(11,564)
As of 30 June 2022	–	5,948,194	27,429,348	682,512	3,694,655	–	37,754,709
Carrying amounts							
(Audited)							
As of 31 December 2021	8,997,828	34,069,615	46,164,942	8,407	1,149,481	13,341,952	103,732,225
(Unaudited)							
As of 30 June 2022	8,997,828	33,590,522	45,359,032	7,208	923,082	18,847,915	107,725,587



Notes to the Interim Condensed Consolidated Financial Information (Continued)

12. Right-of-Use Assets

Group	Land RM	Buildings RM	Others RM	Total RM
(Audited)				
At 1 January 2021	318,898	5,177,518	73,553	5,569,969
Additions	—	305,737	124,316	430,053
Depreciation	(53,145)	(474,832)	(144,290)	(671,267)
Termination	(45,325)	—	(23,323)	(68,648)
At 31 December 2021/ 1 January 2022	221,428	5,008,423	30,256	5,260,107
(Unaudited)				
Additions	—	—	39,692	39,692
Depreciation	(4,152)	(225,466)	(72,662)	(302,280)
Adjustment	—	—	91,720	91,720
As at 30 June 2022	217,276	4,782,957	89,006	5,089,239

13. Inventories

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Packaging and raw materials	7,608,919	7,901,961
Semi-finished goods	8,891,524	5,683,694
Finished goods	8,621,948	9,414,530
	25,122,391	23,000,185



Notes to the Interim Condensed
Consolidated Financial Information (Continued)**13. Inventories (Continued)**

	Six months ended 30 June	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
The amount of inventories recognized as an expense is as follows:		
Carrying amount of inventories sold	40,999,758	42,151,336

14. Trade and Other Receivables

	30 June	31 December
	2022	2021
	RM	RM
	(Unaudited)	(Audited)
Trade receivables	19,514,983	16,055,887
Deposits, prepayments and other receivables	6,241,263	4,980,649
	25,756,246	21,036,536



Notes to the Interim Condensed
Consolidated Financial Information (Continued)

14. Trade and Other Receivables (Continued)

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

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Within 1 month	11,801,425	6,426,225
Over 1 month to 2 months	7,034,278	4,551,834
Over 2 months to 3 months	605,843	4,719,041
Over 3 months	73,437	358,787
	19,514,983	16,055,887

15. Pledged Time Deposits

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Time deposits pledged with a licensed bank	2,120,417	2,120,417

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.



Notes to the Interim Condensed
Consolidated Financial Information (Continued)

16. Cash and Cash Equivalents

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Cash on hand	65,158	14,908
Balances with licensed banks	6,889,009	13,317,042
Cash and cash equivalents	6,954,167	13,331,950

17. Loans and Borrowings

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Non-current		
Term loans — secured	21,575,110	24,794,460
Current		
Term loans — secured	12,017,360	10,139,181
	33,592,470	34,933,641

The bank loans are secured over certain assets of the Group as disclosed under “Pledge of Assets” on page 34 of this interim report.



Notes to the Interim Condensed
Consolidated Financial Information (Continued)**18. Lease Liabilities**

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Within 1 year	154,127	239,679
After 1 year but within 2 years	16,161	24,980
After 2 years but within 5 years	—	3,472
	16,161	28,452
	170,288	268,131

19. Trade and Other Payables

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Trade payables	8,731,802	7,734,585
Other payables and accruals	11,118,278	9,489,331
	19,850,080	17,223,916

All of the trade and other payables are expected to be settled within one year or are repayable on demand.



Notes to the Interim Condensed
Consolidated Financial Information (Continued)

19. Trade and Other Payables (Continued)

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

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Within 1 month	4,328,865	4,912,303
1 to 3 months	2,694,389	2,096,087
3 to 6 months	1,708,548	726,195
	8,731,802	7,734,585

20. Other Reserve

Other reserve of the Company represents the difference between the par value of the Company's 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.

21. Dividends

At a meeting of the Board held on 25 August 2022, the Directors resolved not to declare the payment of an interim dividend to the shareholders of the Company (the "**Shareholders**") for 1H2022.



Notes to the Interim Condensed Consolidated Financial Information (Continued)

22. 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 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Property, plant and equipment		
Authorised but not contracted for	7,105,090	7,105,090
Contracted but not provided for	4,730,309	6,516,002
Total	11,835,399	13,621,092

23. 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.



Notes to the Interim Condensed
Consolidated Financial Information (Continued)

23. Related Party Transactions (Continued)

Key management personnel compensation

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

	Six months ended 30 June	
	2022	2021
	RM	RM
	(Unaudited)	(Unaudited)
Salaries and other benefits	832,760	1,226,942
Contributions to Employees' Provident Fund	78,552	114,685
	911,312	1,341,627

Key management's compensation is included in personnel expenses as disclosed in Note 9 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 CCP, LFDC, coconut milk, coconut water and coconut spread 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 such as rice dumplings (ketupat) and toasted coconut paste (kerisik).

With the easing of the novel coronavirus disease 2019 (the "**COVID-19**") restrictions and reopening of borders globally, during 1H2022, the Group achieved a 13.63% growth in revenue mainly from its coconut-based food and beverage products and approximately five times improvement in gross profit margin compared to the six months ended 30 June 2021 ("**1H2021**") resulted from various control measures adopted to reduce the cost of production.

Financial Review

The Group recognised approximately RM49.42 million in revenue for 1H2022, representing an increase of approximately 13.63%, or RM5.93 million, when compared with that for 1H2021 of approximately RM43.49 million. The increase in revenue was largely attributed to the sales of coconut-based food and beverages.

The Group's cost of sales reduced by approximately 2.73%, or RM1.15 million, from approximately RM42.15 million for 1H2021 to approximately RM41.00 million for 1H2022. The reduction in cost of sales attributable to various cost control measures adopted.

Consequently, the gross profit of the Group for 1H2022 increased by approximately RM7.08 million or 526.87% as compared to 1H2021 and the gross profit margin of the Group for 1H2022 was 17.04% as compared to 1H2021 at 3.09%.



Management Discussion and Analysis (Continued)

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-based food and beverage products. Revenue for such products for 1H2022 was RM46.32 million, representing an increase of approximately RM5.72 million, when compared with that for 1H2021 of approximately RM40.60 million. The increase in revenue was largely attributed to increase in sales of coconut food and beverages as discussed in the Business Review section above.

Other revenue is mainly made up of sales of rice dumplings (ketupat), toasted coconut paste (kerisik) and freight charges to customers. In 1H2022, other revenue was approximately RM3.10 million, representing an approximately 6.83% increase from RM2.90 million posted in 1H2021.

Other Income

In 1H2022, the Group's other income comprised mainly from the insurance claims of RM1.76 million as compensation for fire damage of the Perak Plant's machineries, rental income, sale of scrap items and other sundry income of RM0.65 million, the total of which increased by approximately RM2.20 million for 1H2022 as compared to that of approximately RM0.21 million of 1H2021.

Selling and Distribution Expenses

The Group's selling and distribution expenses of approximately RM2.11 million for 1H2022 were largely remained approximately the same as 1H2021 of RM2.07 million.

Administrative Expenses

The Group's administrative expenses of approximately RM4.97 million for 1H2022 were approximately RM0.49 million lower than those of approximately RM5.46 million for 1H2021. This was primarily attributed to cost-cutting measures implemented by the Group in response to the challenges caused by the COVID-19.



Management Discussion and Analysis (Continued)

Other Expenses

The Group's other expenses for 1H2022 of approximately RM3.95 million related mainly to foreign exchange translation losses, represented by an increase of approximately RM1.24 million from approximately RM2.71 million for 1H2021. The foreign exchange loss arose primarily from the weakening of the RM against the United States Dollar (“USD”) during 1H2022.

Net Finance Costs

In 1H2022, the Group incurred approximately RM0.45 million of net finance costs as compared to approximately RM0.26 million in 1H2021. The net finance costs incurred was mainly from the borrowings cost taken by the Group to finance the expansion of the Perak Plant and working capital of the Group.

Income Tax Expense

No provision of income tax expense has been made for 1H2022 and 1H2021 due to the loss position of the Group.

Loss Attributable to Equity Shareholders

The Group recorded a loss attributable to equity shareholders of approximately RM0.65 million for 1H2022 and approximately RM8.95 million for 1H2021. This was primarily attributed to the increase in gross profit for reasons as discussed above.

Future Prospects and Strategies

Notwithstanding the loss reported for 1H2022 has reduced significantly as compared to 1H2021, the business outlook is expected to be challenging and uncertain due to the threat from geopolitical instability, volatility of energy prices and rising interest rates.



Management Discussion and Analysis (Continued)

Nevertheless, the Group remains optimistic on its long-term prospects and profitability due to the global demand of the coconut-based food and beverage products, in particular coconut milk and coconut water.

The Group will continue to develop effective strategies and build viable business models in response to the changing market conditions so as to generate a sustainable growth rate.

Effects of COVID-19 on Our Group up to August 2022

During 1H2022, Malaysia and most of other countries were in the transition from pandemic into the endemic phase. Due to the opening of borders globally, the negative impact of the COVID-19 on the Group's business has been gradually reduced.

Nevertheless, it will be an ongoing effort of the Directors to take appropriate timely measures to react to change of circumstances that may still arise from the COVID-19.

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 2022. The Group was able to repay its obligations when they became due in the ordinary and usual course of business in 1H2022.

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.



Management Discussion and Analysis (Continued)

Cash Position

As at 30 June 2022, the Group's cash and cash equivalents were approximately RM6.95 million, representing a reduction of approximately RM6.38 million as compared with those of approximately RM13.33 million as at 31 December 2021 as detailed in the Interim Condensed Consolidated Statement of Cash Flows on pages 12 to 13 of this interim report.

Loans and Borrowings

As at 30 June 2022, the loans and borrowings amounted to approximately RM33.59 million, representing a decrease of approximately RM1.34 million as compared to those of approximately RM34.93 million as at 31 December 2021 due to the repayment of the Group's term loan facility.

Pledge of Assets

As at 30 June 2022 and 31 December 2021, the net book value of assets pledged to licensed banks for banking facilities granted to the Group were as follows:

	30 June 2022 RM (Unaudited)	31 December 2021 RM (Audited)
Freehold land	1,227,196	1,227,196
Factory buildings and other buildings	20,550,895	20,929,624
Plant and machinery	37,032,847	38,461,067
	58,810,938	60,617,887

Capital Expenditures

During 1H2022, the Group had incurred capital expenditure of approximately RM7.02 million as compared to that of approximately RM7.97 million in 1H2021. The capital expenditure was mainly related to the construction works at the Group's Perak Plant for the purposes of facility expansion and upgrade and purchase of property, plant and equipment.



Management Discussion and Analysis (Continued)

Gearing Ratio

Gearing ratio equals total debt divided by total asset. As at 30 June 2022, the Group's gearing ratio was approximately 0.327 times (31 December 2021: 0.326 times).

Significant Investments and Plan for Material Capital Commitments

Save as disclosed in Note 22 on page 28 of this interim report, the Group did not hold any significant investments or have any plan for material capital commitments as at 30 June 2022.

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 1H2022 and 1H2021.

Use of Net Proceeds From The Listing

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 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;



Management Discussion and Analysis (Continued)

- (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 2022, the Group has utilised approximately RM46.1 million of the Net Proceeds, while approximately RM0.7 million remained unutilised. The following sets forth a summary of the original allocation of the Net Proceeds and its utilisation as at 30 June 2022 (before re-allocation).



Management Discussion and Analysis (Continued)

Original of Use of Net Proceeds	Approximate original allocation of the Net Proceeds (RM 'million)	Approximate actual amount of the Net Proceeds utilized before 1 January 2022 (RM 'million)	Approximate actual amount of the Net Proceeds used during the six months ended 30 June 2022 (RM 'million)	Approximate unused amount of the Net Proceeds as at 30 June 2022 (RM 'million)	Further Information
Expanding and upgrading the production facilities at the Perak Plant	35.6	35.6	–	–	The full amount has been utilized as intended.
Recommissioning of the Johor Plant	4.7	4.7	–	–	Change of intended use of the Net Proceeds and the full amount has been utilized as intended. Please see below for details.
Advertising and promotion expenses	1.2	1.2	–	–	The full amount has been utilized as intended.
Investing in new equipment to enhance the R&D	1.2	0.5	–	0.7	Changed of planned utilisation and to be utilised by 31 December 2022. Please see below for details.
General corporate purposes and working capital	4.1	4.1	–	–	The full amount has been utilized as intended.
Total (Note)	46.8	46.1	–	0.7	

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".



Management Discussion and Analysis (Continued)

Change in Use of the Net Proceeds and Reasons for Such Change

As at 31 December 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 fully 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 2022.

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.



Management Discussion and Analysis (Continued)

Before the commissioning of the CW Station, as part of the production process, raw coconut water (which is contained inside the raw coconuts) will be thrown away. In view of the increased global demand for packaged coconut water, the Group had 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 has resolved to 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 allows 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 also allows 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 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.



Management Discussion and Analysis (Continued)

Reference is made to the Company's announcement dated 2 March 2021, unless otherwise defined herein, capitalised terms used in this paragraph shall have the same meanings as those defined in the announcement dated 2 March 2021. S&P Industries Sdn. Bhd. (an indirect wholly-owned subsidiary of the Company and as the Project Owner) has awarded a construction contract to S P Mega-Marihartta Sdn. Bhd. (an independent third party and as the Contractor) by way of the Letter of Award with contract sum of RM13.41 million (equivalent to approximately HK\$25.66 million) in relation to construction works at the Group's Perak Plant for the purposes of facility expansion and upgrade. The construction was funded by the internal resources of the Group, including the remaining net proceeds of RM4.7 million from the IPO originally allocated for recommissioning of the Johor Plant to investing in coconut water collection and has been completed in May 2022 pending the issuance of the certificate of completion and compliance.

As at 30 June 2022, the remaining unutilised Net Proceeds amounted to approximately RM0.7 million which have been planned to be utilised by 31 December 2021. However, due to the spread of COVID-19 which affected the progress of enhancing the R&D of the Group and the expected timeline for the full utilisation of the unutilised Net Proceeds has been changed to 31 December 2022.

Saved for the above, the Directors are not aware of any material change to the planned use of the Net Proceeds as at the date of this interim report.

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 foreign exchange exposure to an acceptable level.



Management Discussion and Analysis (Continued)

Employees and Remuneration Policies

The Group had 325 employees and 331 employees as at 30 June 2022 and 30 June 2021, respectively. Remuneration is determined by reference to prevailing market terms and in accordance with the performance, qualification and experience of each individual employee. Periodic in-house 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.

As at 30 June 2022 and the date of this interim report, there was no outstanding share option granted under the Share Option Scheme and no share option lapsed or was exercised or cancelled during 1H2022.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2022.



Corporate Governance and Other Information

Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 June 2022, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO"), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the "Model Code"), were as follows:

(i) Long positions in the Shares

Name of Directors	Note	Capacity/ Nature of interest	Number of Shares interested	Percentage of shareholding interest in the Company <i>(Note 3)</i>
Mr. Tang Koon Fook ("Mr. Tang")	1	Interest in a controlled corporation	567,000,000	52.5%
Mr. Lee Sieng Poon ("Mr. Lee")	2	Interest in a controlled corporation	243,000,000	22.5%



Corporate Governance and Other Information (Continued)

Notes:

1. Mr. Tang, the chairman of the Board and an executive Director, beneficially owned 100% of the issued share capital of TYJ and he was deemed to be interested in 567,000,000 Shares held by TYJ by virtue of the SFO.
2. Mr. Lee, the managing Director and an executive Director, beneficially owned 100% of the issued share capital of Trinity Holding Limited ("**Trinity**") and he was deemed to be interested in 243,000,000 Shares held by Trinity by virtue of the SFO.
3. The percentages of shareholding interest in the Company shown in the table above are calculated on the basis of 1,080,000,000 Shares in issue as at 30 June 2022.

(ii) Long position in the shares of an associated corporation

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Number and class of share interested	Percentage of shareholding interest
Mr. Tang	TYJ	Beneficial owner	1 ordinary share	100%

Save as disclosed above, as at 30 June 2022, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), (b) pursuant to section 352 of the SFO, entered in the register referred to therein, or (c) pursuant to the Model Code, notified to the Company and the Stock Exchange.



Corporate Governance and Other Information (Continued)

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares

As at 30 June 2022, so far as is known to the Directors, the following entities or persons (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholders	Note	Capacity/ Nature of interest	Number of Shares interested/held	Percentage of shareholding interest in the Company (Note 3)
TYJ	1	Beneficial owner	567,000,000	52.5%
Ms. Yeow Geok Tiang ("Ms. Yeow")	1	Interest of spouse	567,000,000	52.5%
Trinity	2	Beneficial owner	243,000,000	22.5%
Ms. Goh Soo Cheng ("Ms. Goh")	2	Interest of spouse	243,000,000	22.5%

Notes:

1. TYJ was wholly and beneficially owned by Mr. Tang, the husband of Ms. Yeow. By virtue of the SFO, Ms. Yeow was deemed to be interested in the Shares held and deemed to be held by Mr. Tang.
2. Trinity was wholly and beneficially owned by Mr. Lee, the husband of Ms. Goh. By virtue of the SFO, Ms. Goh was deemed to be interested in the Shares held and deemed to be held by Mr. Lee.
3. The percentages of shareholding interest in the Company shown in the table above are calculated on the basis of 1,080,000,000 Shares in issue as at 30 June 2022.

Save as disclosed above, as at 30 June 2022, so far as the Directors or chief executive of the Company are aware, no other entities or persons (other than a Director or the chief executive of the Company) had any interests or short positions in the Shares or underlying Shares, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were, pursuant to section 336 of the SFO, recorded in the register referred to therein.



Corporate Governance and Other Information (Continued)

Share Option Scheme

On 23 June 2017, the Shareholders approved and conditionally adopted the Share Option Scheme to enable the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group. The Share Option Scheme became effective on the Listing date. No option has been granted since then and up to the date of this interim report and therefore, there was no outstanding options as at 30 June 2022 and no options were exercised or cancelled or lapsed during 1H2022.

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 1H2022.

Events After the Reporting Period

The Group is not aware of any important event requiring disclosure that has taken place subsequent to 30 June 2022 and up to the date of this interim report.

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 1H2022.

Code of Conduct for Securities Transactions by Directors

The Company has adopted 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 1H2022.



Corporate Governance and Other Information (Continued)

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 D.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 interim condensed consolidated results of the Group for 1H2022 and agreed to the accounting principles and practices adopted by the Group.

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

Hong Kong, 25 August 2022





S&P International Holding Limited
椰豐集團有限公司

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