



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 2024

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Tang Koon Fook (*Managing Director*)
(*redesignated as Managing Director on*
29 August 2024)

Mr. Lee Sieng Poon

Mr. Yap Boon Teong

Ms. Wong Yuen Lee

Independent Non-Executive Directors

Dato' Mohd Ibrahim Bin Mohd Nor
(*Chairman*)
(*appointed as Chairman of the board of*
directors on 29 August 2024)

Mr. Lee King Fui

Mr. Eng Hup Tat

BOARD COMMITTEES

Audit Committee

Mr. Lee King Fui (*Chairman*)

Dato' Mohd Ibrahim Bin Mohd Nor

Mr. Eng Hup Tat

Remuneration Committee

Mr. Eng Hup Tat (*Chairman*)

Mr. Tang Koon Fook

Dato' Mohd Ibrahim Bin Mohd Nor

Nomination Committee

Dato' Mohd Ibrahim Bin Mohd Nor

(*Chairman*)

(*appointed as Chairman on 29 August*
2024)

Mr. Tang Koon Fook

(*retired as Chairman on 29 August 2024*)

Mr. Eng Hup Tat

Corporate Information (Continued)

COMPANY SECRETARY

Mr. Liu Hoi Keong

AUTHORISED REPRESENTATIVES

Mr. Tang Koon Fook
Mr. Liu Hoi Keong

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

Unit 1513
15/F Austin Tower
22-26 Austin Avenue
Tsim Sha Tsui, Kowloon
Hong Kong

COMPANY'S WEBSITE

www.spfood.com

Corporate Information (Continued)

INDEPENDENT AUDITORS

Forvis Mazars PLT (formerly known as Mazars PLT), Chartered Accountants Public Interest Entity Auditor recognized in accordance with the Accounting and Financial Reporting Council Ordinance in Hong Kong
Wisma Golden Eagle Realty
11th Floor, South Block, No. 142-A
Jalan Ampang
50450 Kuala Lumpur
Malaysia

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

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

	Six months ended 30 June		% of change
	2024 RM (Unaudited)	2023 RM (Unaudited)	
Revenue	56,331,822	40,403,890	39.42
Profit/(Loss) from operations	3,943,529	(3,447,941)	>100
Net finance costs	(696,133)	(1,109,172)	(37.24)
Income tax expense	—	—	—
Profit/(Loss) attributable to:			
Owners of the Company	3,247,950	(4,556,561)	>100
Non-controlling interest	(554)	(552)	0.36
	3,247,396	(4,557,113)	>100

Consolidated Statement of Financial Position

	30 June	31 December	% of change
	2024 RM (Unaudited)	2023 RM (Audited)	
Cash and cash equivalents	13,247,095	8,304,999	59.51
Loans and borrowings	28,283,719	28,761,070	(1.66)
Net current assets	33,496,110	9,307,402	>100
Net assets	124,333,606	118,875,497	4.59

Financial Highlights (Continued)

Key Financial Ratios

	Six months ended 30 June		change
	2024	2023	(% points)
	(Unaudited)	(Unaudited)	
Gross profit margin	23.24%	19.72%	3.52
Return on equity (annualised)	5.22%	(7.78)%	13.00

	30 June	31 December	% of
	2024	2023	change
	(Unaudited)	(Audited)	
Current ratio (times)#	2.24	1.22	83.61

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 2024

	Notes	Six months ended 30 June	
		2024 RM (Unaudited)	2023 RM (Unaudited)
Revenue	5	56,331,822	40,403,890
Cost of sales		(43,239,474)	(32,434,833)
Gross profit		13,092,348	7,969,057
Other income	6	310,495	275,608
Selling and distribution expenses		(2,020,286)	(1,498,466)
Administrative expenses		(5,035,000)	(4,639,361)
Other expenses		(2,404,028)	(5,554,779)
Profit/(Loss) from operations		3,943,529	(3,447,941)
Finance income	7	34,872	4,570
Finance costs	8	(731,005)	(1,113,742)
Net finance costs		(696,133)	(1,109,172)
Profit/(Loss) before taxation		3,247,396	(4,557,113)
Income tax expense		—	—
Profit/(Loss) for the period	9	3,247,396	(4,557,113)
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		2,210,713	4,164,884
Total comprehensive income/(loss) for the period		5,458,109	(392,229)

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

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 RM (Unaudited)	2023 RM (Unaudited)
Profit/(Loss) attributable to:			
Equity shareholders of the Company		3,247,950	(4,556,561)
Non-controlling interest		(554)	(552)
Profit/(Loss) for the period		3,247,396	(4,557,113)
Total comprehensive income/(loss) attributable to:			
Equity shareholders of the Company		5,458,832	(391,713)
Non-controlling interest		(723)	(516)
Total comprehensive income/(loss) for the period		5,458,109	(392,229)
Basic and diluted earning/(loss) per share (expressed in Sen)	10	0.30	(0.42)

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2024

	Notes	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Assets			
Non-current assets			
Property, plant and equipment	11	103,168,658	106,161,102
Right-of-use assets	12	4,578,685	4,833,932
Deferred tax assets		225,834	225,834
		107,973,177	111,220,868
Current assets			
Inventories	13	19,234,169	23,292,226
Current tax asset		1,903,194	1,806,569
Trade and other receivables	14	23,834,839	16,429,874
Pledged time deposits	15	2,208,017	2,208,017
Cash and cash equivalents	16	13,247,095	8,304,999
		60,427,314	55,041,685
Total Assets		168,400,491	163,262,553
Equity and Liabilities			
Equity			
Share capital		5,941,706	5,941,706
Share premium		58,707,916	58,707,916
Reserves		59,618,792	54,159,960
Total equity attributable to equity shareholders of the Company		124,268,414	118,809,582
Non-controlling interest		65,192	65,915
Total Equity		124,333,606	118,875,497

Interim Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2024

	Notes	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Liabilities			
Non-current liabilities			
Loans and borrowings	17	15,832,948	315,354
Lease liabilities	18	53,043	87,729
Deferred tax liabilities		1,249,690	1,249,690
		17,135,681	1,652,773
Current Liabilities			
Loans and borrowings	17	12,450,771	28,445,716
Lease liabilities	18	239,387	308,979
Trade and other payables	19	10,989,887	10,601,073
Contract liabilities		3,251,159	3,378,515
		26,931,204	42,734,283
Total Liabilities		44,066,885	44,387,056
Total equity and liabilities		168,400,491	163,262,553
Total assets less current liabilities		141,469,287	120,528,270

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to equity shareholders of the Company							Non-controlling interest RM	Total equity RM
	Share capital RM	Share premium RM	Other reserve RM	Translation reserve RM	Retained earnings RM	Total RM			
(Audited)									
As at 1 January 2023	5,941,706	58,707,916	150,200	2,140,062	50,549,199	117,489,083	63,137	117,552,220	
Foreign currency translation differences for foreign operations	–	–	–	3,121,468	–	3,121,468	133	3,121,601	
Other comprehensive income for the year	–	–	–	3,121,468	–	3,121,468	133	3,121,601	
Loss for the year	–	–	–	–	(1,800,969)	(1,800,969)	2,645	(1,798,324)	
Total comprehensive income for the year	–	–	–	3,121,468	(1,800,969)	1,320,499	2,778	1,323,277	
At 31 December 2023/ 1 January 2024	5,941,706	58,707,916	150,200	5,261,530	48,748,230	118,809,582	65,915	118,875,497	
(Unaudited)									
Foreign currency translation differences for foreign operations	–	–	–	2,210,882	–	2,210,882	(169)	2,210,713	
Other comprehensive income for the period	–	–	–	2,210,882	–	2,210,882	(169)	2,210,713	
Profit for the period	–	–	–	–	3,247,950	3,247,950	(554)	3,247,396	
Total comprehensive income for the period	–	–	–	2,210,882	3,247,950	5,458,832	(723)	5,458,109	
At 30 June 2024	5,941,706	58,707,916	150,200	7,472,412	51,996,180	124,268,414	65,192	124,333,606	

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024	2023
	RM	RM
Notes	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit/(Loss) before tax	3,247,396	(4,557,113)
Adjustments for:		
Depreciation of property, plant and equipment	9 3,449,020	3,664,261
Depreciation of right-of-use assets	9 321,153	317,295
Property, plant and equipment written off	9 3,199	1
Gain on disposal of plant and equipment	9 (1,200)	—
Net loss on unrealised foreign exchange differences	9 288,839	1,403,019
Finance costs	8 731,005	1,113,742
Finance income	7 (34,872)	(4,570)
Operating profit before working capital changes	8,004,540	1,936,635
Change in inventories	4,058,057	5,968,251
Change in trade and other receivables	(7,326,089)	1,458,296
Change in trade and other payables	4,080,006	(747,347)
Change in contract liabilities	(127,356)	866,659
Cash generated from operations	8,689,158	9,482,494
Income tax paid	(96,625)	(110,580)
Net cash from operating activities	8,592,533	9,371,914

Interim Condensed Consolidated Statement of
Cash Flows (Continued)

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024	2023
Notes	RM (Unaudited)	RM (Unaudited)
Cash flows used in investing activities		
Acquisition of property, plant and equipment	(4,159,369)	(1,680,457)
Interest received	34,872	4,570
Sales proceed from disposal of plant and equipment	1,200	—
Net cash used in investing activities	(4,123,297)	(1,675,887)
Cash flows used in financing activities		
Repayments of loans and borrowing	(40,838,682)	(27,435,205)
Interest and other borrowing costs paid	(574,449)	(1,106,490)
Drawdown of loans and borrowing	39,679,519	17,681,008
Capital element of leases paid	(170,184)	(155,573)
Interest element of leases paid	(8,164)	(12,867)
Net cash used in financing activities	(1,911,960)	(11,029,127)
Net decrease in cash and cash equivalents	2,557,276	(3,333,100)
Cash and cash equivalents at 1 January	8,304,999	4,299,479
Effect of foreign exchange rate changes	2,384,820	4,346,616
Cash and cash equivalents at 30 June	13,247,095	5,312,995

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 Act, 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 milk beverage. The Group also manufactures 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 former 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 2024 (the “**1H2024**” and the “**Interim Condensed Consolidated Financial Information**”, respectively), which has not been audited, was reviewed and approved for issue by the Board on 29 August 2024.

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 2023 (“**FY2023**”) and described in the annual report of the Company for FY2023 (the “**2023 Annual Report**”) and the adoption of the following, which became effective for the financial years beginning on or after 1 January 2024:

- Amendments to IFRS 7, 16, IAS 1 and IAS 7

The adoption of the above amendments to IFRSs and IASs 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 2023 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 milk beverage 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	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
— Coconut related food and beverage products	55,010,156	37,962,868
— Others	1,321,666	2,441,022
	56,331,822	40,403,890

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, coconut milk beverage 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	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
South East Asia	20,163,607	15,715,461
Middle East	9,847,685	9,893,593
West Indies	11,746,309	5,133,486
North America	4,053,569	2,896,097
East Asia	4,629,355	3,646,066
Other regions	5,891,297	3,119,187
	56,331,822	40,403,890

6. Other Income

	Six months ended 30 June	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
Income arising from subleasing of right-of-use assets	102,000	90,000
Others	208,495	185,608
	310,495	275,608

7. Finance Income

	Six months ended 30 June	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
Interest income of financial assets calculated using the effective interest method at amortised cost	34,872	4,570

8. Finance Costs

	Six months ended 30 June	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
Interest expense of financial liabilities that are not at fair value through profit and loss	722,841	1,100,876
Interest expense on lease liabilities	8,164	12,866
	731,005	1,113,742

9. Profit/(Loss) for the Period

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

	Six months ended 30 June	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
Auditors' remuneration	155,183	153,952
Depreciation of property, plant and equipment	3,449,020	3,664,261
Depreciation of right-of-use assets	321,153	317,295
Property, plant and equipment written off	3,199	1
Gain on disposal of plant and equipment	1,200	—
Net loss on unrealised foreign exchange differences	288,839	1,403,019
Personnel expenses (including Directors' emoluments):		
— Wages, salaries and other benefits	6,768,155	6,206,350
— Contributions to defined contribution plans	539,987	472,317

10. Earning/(Loss) Per Share

	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
Profit/(Loss) attributable to equity shareholders of the Company (expressed in RM)	3,247,950	(4,556,561)
Weighted average number of Shares (unit)	1,080,000,000	1,080,000,000
Basic earning/(loss) per Share (expressed in Sen)	0.30	(0.42)

As at 30 June 2024 and 2023, the Company had not issued any dilutive potential Shares and hence, the diluted earning/(loss) per Share is equal to the basic earning/(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 2023	9,880,438	61,035,977	79,186,064	728,217	4,940,111	52,187	155,822,994
Additions	–	67,824	424,120	–	52,706	158,274	702,924
Written-offs	–	–	(183,502)	–	(5,984)	–	(189,486)
Reclassifications	–	–	–	–	25,200	(25,200)	–
At 31 December 2023/ 1 January 2024							
	9,880,438	61,103,801	79,426,682	728,217	5,012,033	185,261	156,336,432
(Unaudited)							
Additions	–	16,889	216,775	194,333	31,778	–	459,775
Disposal	–	–	–	(58,800)	–	–	(58,800)
Written-offs	–	–	–	–	(15,235)	–	(15,235)
Reclassifications	–	130,000	10,659	–	–	(140,659)	–
As of 30 June 2024							
	9,880,438	61,250,690	79,654,116	863,750	5,028,576	44,602	156,722,172
(Audited)							
Accumulated depreciation							
At 1 January 2023	–	6,818,285	29,818,532	687,564	3,964,153	–	41,288,534
Charge for the year	–	1,854,137	4,931,058	10,104	511,567	–	7,306,866
Impairment loss	–	–	1,745,000	–	5,000	–	1,750,000
Written-offs	–	–	(164,092)	–	(5,978)	–	(170,070)
At 31 December 2023/ 1 January 2024							
	–	8,672,422	36,330,498	697,668	4,474,742	–	50,175,330
(Unaudited)							
Charge for the period	–	926,096	2,459,810	16,573	134,291	–	3,536,770
Impairment loss	–	–	(87,250)	–	(500)	–	(87,750)
Disposal	–	–	–	(58,800)	–	–	(58,800)
Written-offs	–	–	–	–	(12,036)	–	(12,036)
As of 30 June 2024							
	–	9,597,518	38,703,058	655,441	4,596,497	–	53,553,514
Carrying amounts							
(Audited)							
As of 31 December 2023	9,880,438	52,431,379	43,096,184	30,549	537,291	185,261	106,161,102
(Unaudited)							
As of 30 June 2024	9,880,438	51,652,172	40,951,058	208,309	432,079	44,602	103,168,658

12. Right-of-Use Assets

Group	Land RM	Buildings RM	Others RM	Total RM
(Audited)				
At 1 January 2023	213,125	4,880,145	178,871	5,272,141
Additions	—	—	200,862	200,862
Depreciation	(8,303)	(458,637)	(171,173)	(638,113)
Termination	—	—	(958)	(958)
At 31 December 2023/ 1 January 2024	204,822	4,421,508	207,602	4,833,932
(Unaudited)				
Additions	—	—	65,906	65,906
Depreciation	(4,152)	(149,032)	(167,969)	(321,153)
As at 30 June 2024	200,670	4,272,476	105,539	4,578,685

13. Inventories

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Packaging and raw materials	8,785,463	10,398,746
Semi-finished goods	4,085,521	6,546,499
Finished goods	6,363,185	6,346,981
	19,234,169	23,292,226

Notes to the Interim Condensed
Consolidated Financial Information (Continued)

13. Inventories (Continued)

	Six months ended 30 June	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
The amount of inventories recognized as an expense is as follows:		
Carrying amount of inventories sold	43,239,474	32,434,833

14. Trade and Other Receivables

	30 June	31 December
	2024	2023
	RM	RM
	(Unaudited)	(Audited)
Trade receivables	21,443,769	15,322,963
Deposits, prepayments and other receivables	2,391,070	1,106,911
	23,834,839	16,429,874

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

	30 June	31 December
	2024	2023
	RM	RM
	(Unaudited)	(Audited)
Within 1 month	18,729,538	7,467,514
1 to 2 months	693,253	3,356,939
2 to 3 months	90,558	1,606,860
Over 3 months	1,930,420	2,891,650
	21,443,769	15,322,963

15. Pledged Time Deposits

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Time deposits pledged with a licensed bank	2,208,017	2,208,017

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 rate at 3.45% per annum. The maturity of this time deposits are 12 months.

16. Cash and Cash Equivalents

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Cash on hand	76,587	67,441
Balances with licensed banks	13,170,508	8,237,558
Cash and cash equivalents	13,247,095	8,304,999

17. Loans and Borrowings

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Non-current		
Term loans — secured	15,832,948	315,354
Current		
Term loans — secured	4,077,452	18,858,706
Trust receipts	4,904,319	4,704,010
Banker Acceptance	3,469,000	2,236,000
Invoice financing	—	2,647,000
	28,283,719	28,761,070

The bank loans are secured over certain assets of the Group as disclosed under “Pledge of Assets” on page 33 of this interim report.

18. Lease Liabilities

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Within 1 year	239,387	308,979
After 1 year but within 2 years	44,707	86,098
After 2 years but within 5 years	8,336	1,631
	53,043	87,729
	292,430	396,708

19. Trade and Other Payables

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Trade payables	6,417,896	6,255,199
Other payables and accruals	4,571,991	4,345,874
	10,989,887	10,601,073

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

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

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Within 1 month	6,167,994	5,572,601
1 to 3 months	248,018	682,598
3 to 6 months	1,884	—
	6,417,896	6,255,199

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. 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 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Property, plant and equipment		
Authorised but not contracted for	7,105,090	7,105,090
Contracted but not provided for	563,808	557,938
Total	7,668,898	7,663,028

22. 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	
	2024	2023
	RM	RM
	(Unaudited)	(Unaudited)
Salaries and other benefits	1,087,134	802,226
Contributions to Defined contribution plans	96,495	74,352
	1,183,629	876,578

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 milk beverage manufactured at the Group's manufacturing facility located at Bagan Datoh, Perak, Malaysia (the "**Perak Plant**"). The Group also manufactures other traditional South-east Asian food ingredients such as rice dumplings (ketupat) and toasted coconut paste (kerisik) at its manufacturing facility located at Kota Damansara, Selangor, Malaysia.

During 1H2024, the Group has attained approximately 39.42% and 64.29% increase in revenue and gross profit mainly from its coconut-based food and beverage products compared to 1H2023. Further, the gross profit margin has improved from 19.72% to 23.24% during 1H2024 compared to 1H2023.

Financial Review

The Group recognised approximately RM56.33 million in revenue for 1H2024, representing an increase of approximately 39.42%, or RM15.93 million, when compared with that for 1H2023 of approximately RM40.40 million. The increase in revenue was largely attributed to the increase in sales of CCP.

The Group's cost of sales increased by approximately 33.31%, or RM10.80 million, from approximately RM32.43 million for 1H2023 to approximately RM43.23 million for 1H2024. The increased in cost of sales was mainly attributable to the increase in sales. The percentage increase in cost of sales was lower than the percentage increase in revenue as a result of production efficiency.

Consequently, the gross profit of the Group for 1H2024 increased by approximately RM5.12 million or 64.29% as compared to 1H2023 and the gross profit margin of the Group for 1H2024 was 23.24% as compared to 1H2023 at 19.72%.

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 1H2024 was RM55.01 million, representing an increase of approximately RM17.05 million, when compared with that for 1H2023 of approximately RM37.96 million.

Other revenue is mainly made up of sales of rice dumplings (ketupat), toasted coconut paste (kerisik) and freight charges to customers. In 1H2024, other revenue was approximately RM1.32 million, representing an approximately 45.86% reduction from RM2.44 million recorded in 1H2023.

Other Income

In 1H2024, the Group's other income comprised mainly rental income, scrap sales and other sundry income of RM0.31 million, the total of which increased by approximately RM0.03 million for 1H2024 as compared to that of approximately RM0.28 million of 1H2023 as due increase in rental income and scrap sales.

Selling and Distribution Expenses

The Group's selling and distribution expenses of approximately RM2.02 million for 1H2024 were approximately RM0.52 million higher than those of approximately RM1.50 million for 1H2023 due to higher logistic related expenses.

Administrative Expenses

The Group's administrative expenses of approximately RM5.04 million for 1H2024 was approximately RM0.40 million higher than those of approximately RM4.64 million for 1H2023. This was mainly from the increase in employees related cost.

Other Expenses

The Group's other expenses for 1H2024 of approximately RM2.40 million was mainly related to foreign exchange translation losses, represented by a decrease of approximately RM3.15 million from approximately RM5.55 million for 1H2023. Reduction in foreign exchange translation losses was as a result of settlement of term loan in USD.

Net Finance Costs

In 1H2024, the Group incurred approximately RM0.70 million of net finance costs as compared to approximately RM1.11 million in 1H2023. The decrease in net finance costs of approximately RM0.41 million was mainly due a switch from higher interest-bearing term loan in USD to lower interest bearing term loan in RM and a reduction in trade finance facility.

Income Tax Expense

No provision of income tax expense has been made for 1H2024 and 1H2023 as the Group has unutilised losses and capital allowances to offset against the profit attained.

Profit Attributable to Equity Shareholders

The Group recorded a profit attributable to equity shareholders of the Company (the "**Shareholders**") of approximately RM3.25 million for 1H2024. This was primarily attributed to the reasons as discussed above.

Future Prospects and Strategies

The Group has achieved a decent growth in both revenue and gross profit margin during 1H2024 arising the positive market outlook of coconut demand. While the Group remains optimistic in the said outlook for coming years, it is likely to be impacted by the global issues surrounding the business environment.

Management Discussion and Analysis (Continued)

In the years ahead, it will be a continuous effort of the Group to explore new and potential coconut markets to strengthen and enhance its distributional channel, supply chain and market competitiveness for a sustainable future and positive return to the shareholder.

Significant Event During and After the Financial Period

There is no significant event occurred during and after the financial period up to the date of this interim report.

Liquidity, Financial Resources and Capital Structure

The Group maintained a solid financial position and was in a net cash position as at 30 June 2024. The Group was able to repay its obligations when they became due in the ordinary and usual course of business in 1H2024.

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 2024, the Group's cash and cash equivalents were approximately RM13.25 million, representing an increase of approximately RM4.95 million as compared with those of approximately RM8.30 million as at 31 December 2023.

Loans and Borrowings

As at 30 June 2024, the loans and borrowings amounted to approximately RM28.28 million, representing a decrease of approximately RM0.48 million as compared to those of approximately RM28.76 million as at 31 December 2023 due to the repayment of the Group's loans facility.

Gearing Ratio

Gearing ratio equals total debt divided by total asset. As at 30 June 2024, the Group's gearing ratio was approximately 0.262 times (31 December 2023: 0.272 times).

Pledge of Assets

As at 30 June 2024 and 31 December 2023, the carrying amount of assets (property, plant and equipment and right-of-use assets) pledged to licensed banks for banking facilities granted to the Group were as follows:

	30 June 2024 RM (Unaudited)	31 December 2023 RM (Audited)
Freehold and leasehold land	5,148,497	1,432,016
Factory buildings and other buildings	43,331,370	20,645,915
Plant and machinery	29,668,662	31,037,986
	78,148,529	53,115,917

Capital Expenditures

During 1H2024, the Group had incurred capital expenditure of approximately RM0.46 million as compared to that of approximately RM0.44 million in 1H2023. The capital expenditure was mainly related to purchase of plant and equipment.

Significant Investments and Plan for Material Capital Commitments

Save as disclosed in Note 21 on page 27 of this interim report, the Group did not hold any significant investments or have any plan for material capital commitments as at 30 June 2024.

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 1H2024 and 1H2023.

Foreign Exchange Exposure

The Group undertakes certain transactions denominated in foreign currencies, mainly in USD and 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.

Dividends

At a meeting of the Board held on 29 August 2024, the Directors resolved not to declare the payment of an interim dividend to the Shareholders for 1H2024.

Employees and Remuneration Policies

The Group had 354 employees as at 30 June 2024 and 30 June 2023. 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 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 2024 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 1H2024.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2024.

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 2024, 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 C3 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 former chairman of the Board, the managing Director 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 former 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 2024.

(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 2024, 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.

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

As at 30 June 2024, 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 <i>(Note 3)</i>
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:

- 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.
- 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.
- 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 2024.

Save as disclosed above, as at 30 June 2024, 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.

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 2024 and no options were exercised or cancelled or lapsed during 1H2024.

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 1H2024.

Events After the Reporting Period

The Group is not aware of any important event requiring disclosure that has taken place subsequent to 30 June 2024 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 adopted the code provisions as set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the Listing Rules as its own code of corporate governance. During 1H2024, the Company had complied with all of the applicable code provisions of the CG Code. The Company is committed to implementing the view that the Board should include a balanced composition of executive Directors and independent non-executive Directors (the “**INEDs**”) so that there is a strong independent element on the Board which can effectively exercise independent judgement.

Corporate Governance and Other Information (Continued)

Throughout the 1H2024, the Company had three INEDs, which was in compliance with the requirement of the Listing Rules that the number of INEDs must represent at least one-third of the Board members, and that at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise.

As at the date of this interim report, the audit committee of the Company (the “**Audit Committee**”) consists of three INEDs, namely Mr. Lee King Fui (chairman of the Audit Committee), Dato’ Mohd Ibrahim Bin Mohd Nor and Mr. Eng Hup Tat. The Audit Committee is responsible for reviewing the Company’s corporate governance policies and the Company’s compliance with the CG Code and will make recommendations to the Board accordingly.

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 1H2024 and up to the date of this interim report.

Review of Interim Group Results By the Audit Committee

The Audit Committee was established on 8 June 2017 with written terms of reference in compliance with code provisions of the CG Code and 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 1H2024 and agreed to the accounting principles and practices adopted by the Group.

By order of the Board,
S&P International Holding Limited
Dato’ Mohd Ibrahim Bin Mohd Nor
Chairman and Independent Non-Executive Director

Hong Kong, 29 August 2024



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

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