

**SUPER GROUP LTD**  
**(Formerly known as Super Coffeemix Manufacturing Ltd)**  
 (Registration No.199101696K)

**First Quarter Financial Statement for the period ended 31 March 2011**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),  
 HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group Income Statement and Statement of Comprehensive Income for period ended 31 March 2011. These figures have not been audited or reviewed.

	Note	Group		%
		S\$'000		
		3 mths ended 31/03/11	3 mths ended 31/03/10	
<b>Income Statement</b>				
Revenue		99,120	81,633	21
Cost of sales		(63,596)	(49,372)	29
Gross profit		35,524	32,261	10
Other (loss)/income	1	(321)	1,526	NM
Selling and distribution expenses		(10,197)	(9,770)	4
General and administrative expenses		(8,668)	(7,588)	14
		(18,865)	(17,358)	9
Profit from operating activities		16,338	16,429	(1)
Finance costs		(48)	(70)	(31)
Net (loss)/gain from investment securities	2	(334)	412	NM
Share of results of associated and joint venture companies		356	554	(36)
Profit before taxation		16,312	17,325	(6)
Taxation		(1,535)	(2,329)	(34)
Profit for the period		14,777	14,996	(1)
Profit attributable to:				
Equity holders of the Company		14,560	14,708	(1)
Non-controlling interests		217	288	(25)
		14,777	14,996	(1)

		Group		
		S\$'000		%
Statement of Comprehensive Income	Note	3 mths ended 31/03/11	3 mths ended 31/03/10	Inc./ (Dec.)
Profit for the period		14,777	14,996	(1)
Other comprehensive income:				
- Foreign currency translation		(3,082)	1,795	NM
- Share of other comprehensive income of associated and joint venture companies		(41)	265	NM
Other comprehensive income for the period		(3,123)	2,060	NM
 Total comprehensive income for the period		 11,654	 17,056	 (32)
 Total comprehensive income attributable to:				
Equity holders of the Company		11,691	16,805	(30)
Non-controlling interests		(37)	251	NM
		11,654	17,056	(32)

		Group	
		S\$'000	
		3 mths ended 31/03/11	3 mths ended 31/03/10
<b>Note 1</b>	– Other (loss)/income comprises:		
	Gain on disposal of property, plant and equipment	103	254
	Interest income	86	14
	Foreign exchange loss	(1,275)	(157)
	Others	765	1,415
	<b>Total</b>	<b>(321)</b>	<b>1,526</b>
<b>Note 2</b>	– Net (loss)/gain from investment securities comprises:		
	Fair value (loss)/gain	(335)	411
	Dividend income	1	1
	<b>Total</b>	<b>(334)</b>	<b>412</b>

Other profit and loss account items disclosure:

		Group	
		S\$'000	
		3 mths ended 31/03/11	3 mths ended 31/03/10
<b>Note</b>			
	Depreciation and amortisation expenses	(2,420)	(2,379)
	Amortisation of deferred gain	786	786
	Allowance for doubtful debts written back	37	-
	Allowance for stock obsolescence made	(34)	-
	Inventories written off	(84)	(15)
	Interest expenses	(48)	(70)

**Notes:**

- (i) The foreign exchange loss of S\$1.3m (1Q10: S\$0.2m) mainly arose from the depreciation of the United States Dollar against the Singapore Dollar during the current quarter.
- (ii) The loss of S\$0.3m (1Q10: gain of S\$0.4m) arose from fair value adjustments on quoted equity investments during the current quarter.

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Note	Group		Company	
		31/03/11	31/12/10	31/03/11	31/12/10
		S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current assets</b>					
Property, plant and equipment	A	109,404	101,209	327	328
Intangible assets		3,048	3,050	-	-
Investment in subsidiary companies		-	-	97,200	97,200
Investment in associated companies	B	27,573	26,658	24,759	24,759
Investment in joint venture companies		12,818	12,818	10,000	10,000
Other receivables		6,954	6,954	6,954	6,954
		159,797	150,689	139,240	139,241
<b>Current assets</b>					
Inventories	C	73,011	69,828	-	-
Trade receivables	D	79,109	70,620	-	-
Prepayments		6,590	6,795	-	-
Other receivables and deposits		3,740	4,141	24	25
Amounts due from subsidiary companies	E	-	-	38,086	30,152
Investment securities		2,929	3,264	2,929	3,264
Cash and bank balances		127,703	141,760	63,641	69,450
		293,082	296,408	104,680	102,891
<b>Current liabilities</b>					
Bank overdrafts		1,595	996	-	-
Trade payables	C	29,402	28,194	-	-
Other payables and accruals	F	46,322	52,965	15,927	13,369
Amounts due to subsidiary companies		-	-	3,655	3,725
Hire purchase creditors		148	115	-	5
Interest-bearing bank loans		1,747	2,015	-	-
Deferred gain		3,143	3,143	-	-
Provision for taxation		7,015	7,449	2,461	2,447
		89,372	94,877	22,043	19,546
<b>Net current assets</b>		203,710	201,531	82,637	83,345
<b>Non-current liabilities</b>					
Hire purchase creditors		384	332	-	-
Deferred gain		5,500	6,286	-	-
Deferred taxation		4,386	4,019	65	121
		10,270	10,637	65	121
<b>Net assets</b>		353,237	341,583	221,812	222,465
<b>Equity attributable to equity holders of the parent</b>					
Share capital		163,543	163,543	163,543	163,543
Treasury shares		(372)	(372)	(372)	(372)
Reserves		178,270	166,579	58,641	59,294
		341,441	329,750	221,812	222,465
Minority interests		11,796	11,833	-	-
<b>Total equity</b>		353,237	341,583	221,812	222,465

**Notes:**

- (A) The increase in property, plant and equipment at the Group level was mainly due to the acquisition of a piece of leasehold land adjacent to the Singapore Tuas plant and construction costs for factory extension incurred by the China Wuxi plant.
- (B) Super Coffee Corporation Pte Ltd (a 100%-owned subsidiary company) entered into a joint venture agreement with Petra Foods Ltd in March 2011 to set up Ceres Super Pte Ltd (a 40%-owned associated company) to engage in the marketing, distribution and sales of instant beverages in Indonesia. An investment outlay of S\$0.6m was injected into Ceres Super Pte Ltd which contributed in the increase in investment in associated companies at the Group level.
- (C) The increase in inventories was mainly due to higher raw and packaging materials held by an overseas subsidiary company to meet anticipated production and sales volume. These also led to the increase in trade payables at the Group level.
- (D) The increase in trade receivables at the Group level is consistent with the higher sales revenue achieved during the current quarter.
- (E) Dividends receivable from a subsidiary company resulted in the increase in amounts due from subsidiary companies.
- (F) The decrease in other payables and accruals at the Group level was mainly due to lower accruals for advertising & promotion expenses and payment of accrued bonuses during the current quarter.

The Company entered into a sale and purchase agreement in February 2011 to dispose its shares in PSC Corporation Ltd (an associated company) for S\$24.1m (or S\$0.4864 per share). Deposits received in respect of the disposal led to the increase in other payables and accruals at the Company level.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

As at 31/03/11		As at 31/12/10	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,342	-	3,011	-

**Amount repayable after one year**

As at 31/03/11		As at 31/12/10	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

**Details of any collateral**

The interest-bearing bank loans of certain subsidiary companies are secured on the property, plant and equipment of these subsidiary companies:

	As at 31/03/11	As at 31/12/10
Carrying value	S\$'000	S\$'000
Freehold land and buildings	13,142	12,927
Plant and machinery	4,037	4,207
<b>Total</b>	<b>17,179</b>	<b>17,134</b>

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>	
	<b>S\$'000</b>	
	<b>3 mths ended 31/03/11</b>	<b>3 mths ended 31/03/10</b>
<b>Cash flow from operating activities</b>		
Profit before taxation	16,312	17,325
Adjustments for:		
Amortisation of intangible assets	2	3
Depreciation of property, plant and equipment	2,418	2,376
Amortisation of deferred gain	(786)	(786)
Gain on disposal of property, plant and equipment	(103)	(254)
Fair value loss/(gain) on investment securities	335	(411)
Dividend income from investment securities	(1)	(1)
Interest income	(86)	(14)
Interest expense	48	70
Share of results of associated and joint venture companies	(356)	(554)
Currency realignment	(603)	760
<b>Operating gain before reinvestment in working capital</b>	<b>17,180</b>	<b>18,514</b>
Increase in inventories (Note C)	(3,183)	(3,217)
Increase in trade and other receivables (Note D)	(7,883)	(5,493)
(Decrease)/Increase in trade and other payables (Note C & F)	(5,435)	1,918
<b>Cash generated from operations</b>	<b>679</b>	<b>11,722</b>
Interest received	86	14
Interest paid	(48)	(70)
Income taxes paid	(1,602)	(183)
<b>Net cash (used in)/generated from operating activities</b>	<b>(885)</b>	<b>11,483</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (Note A)	(12,124)	(1,028)
Proceeds from disposal of property, plant and equipment	252	294
Investment in an associated company (Note B)	(600)	-
Quasi-equity loan to a joint venture company	-	(2,250)
Loan repayment received from a joint venture company	-	2,110
Dividends received	1	1
<b>Net cash used in investing activities</b>	<b>(12,471)</b>	<b>(873)</b>

**Cash flow from financing activities**

Repayment of interest-bearing bank loans

Repayment of hire purchase creditors

**Net cash used in financing activities**

Net (decrease)/increase in cash and cash equivalents

Cash and cash equivalents at beginning of period

Effects of foreign exchange rate changes on balances held in foreign currencies

Cash and cash equivalents at end of period

<b>Group</b>	
<b>S\$'000</b>	
<b>3 mths ended 31/03/11</b>	<b>3 mths ended 31/03/10</b>
(264)	(388)
(27)	(56)
(291)	(444)
(13,647)	10,166
140,764	69,917
(1,009)	41
126,108	80,124

**Notes:**

Please refer to paragraph 1(b)(i) for Note A and F.

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group	Share capital	Treasury shares	Asset revaluation reserve	Capital reserve	Reserve on consolidation	Statutory reserve	Foreign currency translation reserve	Dividend reserve	Fair value reserve	Accumulated profits	Total attributable to equity holders of the parent	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2011	163,543	(372)	1,563	70	358	2,341	(18,534)	20,065	173	160,543	329,750	11,833	341,583
Total comprehensive income for the period	-	-	-	70	-	-	(3,002)	-	63	14,560	11,691	(37)	11,654
Transfer to statutory reserve	-	-	-	-	-	122	-	-	-	(122)	-	-	-
Balance as at 31 March 2011	163,543	(372)	1,563	140	358	2,463	(21,536)	20,065	236	174,981	341,441	11,796	353,237
Balance as at 1 January 2010	142,517	(1,813)	1,563	96	358	2,341	(10,491)	10,755	(27)	131,932	277,231	10,438	287,669
Total comprehensive income for the period	-	-	-	4	-	-	1,866	-	227	14,708	16,805	251	17,056
Balance as at 31 March 2010	142,517	(1,813)	1,563	100	358	2,341	(8,625)	10,755	200	146,640	294,036	10,689	304,725
<b>Company</b>	<b>Share capital</b>	<b>Treasury Shares</b>	<b>Dividend reserve</b>	<b>Accumulated profits</b>	<b>Total</b>								
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000								
Balance as at 1 January 2011	163,543	(372)	20,065	39,229	222,465								
Total comprehensive income for the period	-	-	-	(653)	(653)								
Balance as at 31 March 2011	163,543	(372)	20,065	38,576	221,812								
Balance as at 1 January 2010	142,517	(1,813)	10,755	11,227	162,686								
Total comprehensive income for the period	-	-	-	18,924	18,924								
Balance as at 31 March 2010	142,517	(1,813)	10,755	30,151	181,610								

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Details of movement in the number of issued ordinary shares (excluding treasury shares) and treasury shares are as follow:

	<b>Issued Ordinary Shares (excluding Treasury Shares)</b>	<b>Treasury Shares</b>
Balance as at 1 January and 31 March 2011	557,369,980	369,000

	<b>Issued Ordinary Shares (excluding Treasury Shares)</b>	<b>Treasury Shares</b>
Balance as at 1 January and 31 March 2010	537,738,980	4,804,000

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued ordinary shares excluding treasury shares is as follows:

	<b>As at 31/03/11</b>	<b>As at 31/12/10</b>
Issued ordinary shares	557,738,980	557,738,980
Less: Treasury shares	(369,000)	(369,000)
	557,369,980	557,369,980

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

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

The figures have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in the audited financial statements for the year ended 31 December 2010.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Not applicable.

**6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	3 mths ended 31/03/11	3 mths ended 31/03/10
(a) Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents):		
(i) Based on weighted average number of ordinary shares in issue; and	2.61	2.74
(ii) On a fully diluted basis	2.61	2.74
(b) Weighted average number of shares issued during the period (basic)	557,369,980	537,738,980
Weighted average number of shares issued during the period (diluted)	557,369,980	537,738,980

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	31/03/11	31/12/10	31/03/11	31/12/10
Net asset value* per ordinary share based on issued share capital at the end of the period (in cents)	61.26	59.16	39.80	39.91

\* Net asset value is computed based on total assets less total liabilities and minority interests.

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

<b>Sales Revenue</b>			
	<b>1Q11 (S\$'000)</b>	<b>1Q10 (S\$'000)</b>	<b>Inc./ (Dec.) %</b>
Branded consumer sales*	82,864	73,668	12
Ingredients sales**	16,256	7,965	104
<b>Total</b>	<b>99,120</b>	<b>81,633</b>	<b>21</b>

\* Sales of coffee products, cereal products, cup noodles, etc.

\*\* Sales of soluble coffee powder, non-dairy creamer, etc. to industrial users.

Sales revenue for the current quarter increased by 21% to S\$82.9m from S\$73.7m in 1Q10. Ingredients sales continued to lead the charge by recording a 104% increase to S\$16.3m fuelled by robust demand for the Group's soluble coffee powder and non-dairy creamer, particularly in the East Asia and Southeast Asia markets. Branded consumer sales increased by 12% attributable to higher sales into the Southeast Asia and Mongolia markets.

Gross profit margin, however, decreased to 35.8% from 39.5% in 1Q10 due to higher raw material costs and higher ingredient sales which carried a lower gross profit margin. Besides focusing on sales of higher margin products, the Group had revised the retail price of its products in several key markets to cushion the impact of higher raw material costs.

The current quarter registered an "other loss" of S\$0.3m compared to an "other income" of S\$1.5m in 1Q10. The "other loss" arose from foreign exchange loss of S\$1.3m (1Q10: S\$0.2m) partially offset by miscellaneous income earned during the current quarter. Selling and distribution expenses decreased to 10% from 12% of sales revenue as the Group rationalised its advertising and promotion activities in several markets. Higher ingredient sales which require minimal advertising and promotion support also contributed to the decrease in selling and distribution expenses. General and administrative expenses increased to S\$8.7m from S\$7.6m mainly due to higher personnel costs.

The current quarter saw a net loss from investment securities of S\$0.3m compared to a net gain of S\$0.4m in 1Q10. The net loss arose from fair value adjustments on quoted equity investments.

Overall, net profit for the current quarter stood at S\$14.8m (1Q10: S\$15.0m).

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

Not applicable.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Market conditions are expected to remain competitive in the next twelve months. Raw material costs and currency fluctuations will affect the Group's operating performance. Management is, however, familiar with these challenges and will take appropriate actions to mitigate its impact on the Group's business.

In view of rising raw material prices, management will continuously review the retail price of its products while taking into account competitors' actions in the Group's key markets.

The factory extension at the China Wuxi plant is on schedule. Management will install an additional non-dairy creamer production line at the China Wuxi plant to increase the Group's annual production capacity by another 25,000mt to 100,000mt by 3Q11 to cater for strong demand for the Group's non-dairy creamer. With higher production capacity and volume, the Group will enjoy economies of scale, and thereby increase production efficiency and reduce production costs.

**11 Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12 If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been recommended for the period under review.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

- 14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

- 15 A breakdown of sales.**

Not applicable.

- 16 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**CONFIRMATION BY THE BOARD**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the 1Q11 financial results to be false or misleading.

**BY ORDER OF THE BOARD**

Tan Cher Liang  
Company Secretary  
11 May 2011