
Unaudited Financial Statements and Dividend Announcement for the period ended 31 March 2006

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

1(a)(i) Consolidated Income Statement

	01.01.2006 to 31.03.2006	01.01.2005 to 31.03.2005 Restated*
	S\$'000	S\$'000
Revenue	105,874	87,072
Cost of sales	(74,318)	(56,176)
Gross profit	31,556	30,896
Other gains	537	666
Expenses		
- Advertising and promotion	(5,556)	(5,529)
- Marketing	(779)	(549)
- Selling and distribution	(16,939)	(17,636)
- Administrative	(5,295)	(5,559)
- Other operating	(101)	(289)
- Finance	(927)	(646)
Share of profit of associated companies	100	61
Profit before tax	2,596	1,415
Income tax expense	(1,159)	(593)
Total profit	1,437	822
Attributable to:		
Equity holders of the Company	315	(145)
Minority interest	1,122	967
	1,437	822

* Please refer to Note 5. Restatement arose from changes to accounting standard FRS 21 (Issued Jan 2006)

1(a)(ii) Notes to Consolidated Profit and Loss Statement

The total profit is derived after charging/(crediting) the following:

	Group	
	01.01.2006 to 31.03.2006	01.01.2005 to 31.03.2005 Restated*
	S\$'000	S\$'000
Depreciation	2,913	2,916
Impairment of trade debts, net	214	214
Write-down of inventories, net	621	575
Provision/(write-back of provision) for doubtful balances to associated companies, net (non-trade)	1	(207)
Dividend income from quoted equity investments	(98)	(92)
Net foreign exchange loss/(gain)	445	(144)
Interest income	(459)	(452)
Interest expense	927	646
Over provision of tax in respect of prior year	-	(397)
Profit on sale of :		
(a) Quoted equity investments	-	(27)
(b) Plant and equipment	(77)	-
(c) Assets held for sale	(94)	-

* Please refer to Note 5. Restatement arose from changes to accounting standard FRS 21 (Issued Jan 2006)

1(b) Balance Sheets

	Group		Company	
	As at 31.03.2006	As at 31.12.2005 Restated*	As at 31.03.2006	As at 31.12.2005
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	81,237	73,372	4,993	6,755
Trade receivables	78,530	75,066	-	-
Inventories	37,990	44,792	-	-
Amounts due from subsidiaries (non-trade)	-	-	33,970	32,629
Amounts due from associates (non-trade)	10	-	10	-
Amounts due from a related company (non-trade)	38	38	38	38
Development property	221,397	230,366	-	-
Income tax recoverable	759	1,140	-	-
Other current assets	5,408	5,307	120	130
	425,369	430,081	39,131	39,552
Assets held for sale	4,009	4,676	-	-
	429,378	434,757	39,131	39,552
Non-current assets				
Available-for-sale financial assets	22,090	20,657	19,371	18,298
Investments in associated companies	5,445	5,684	-	-
Investments in subsidiaries	-	-	362,936	362,936
Investment properties	5,021	5,169	-	-
Loans to subsidiaries	-	-	76,735	77,794
Property, plant and equipment	159,561	162,940	39,866	40,073
Goodwill	5,361	5,361	-	-
Deferred income tax assets	2,821	2,631	-	-
	200,299	202,442	498,908	499,101
Total assets	629,677	637,199	538,039	538,653
LIABILITIES				
Current liabilities				
Trade and other payables	62,370	66,404	1,616	1,661
Amounts due to subsidiaries (non-trade)	-	-	244,880	245,411
Loan from an associated company	1,155	1,155	1,155	1,155
Current income tax liabilities	4,662	4,451	50	50
Borrowings	25,219	25,341	19,700	19,700
Provisions	1,591	1,591	-	-
	94,997	98,942	267,401	267,977
Non-current liabilities				
Loans from subsidiaries	-	-	60,104	61,675
Borrowings	103,016	107,018	-	-
Provisions for retirement benefits	2,542	2,475	-	-
Deferred income tax liabilities	9,074	8,971	700	700
Other non-current liabilities	1,591	1,596	-	-
	116,223	120,060	60,804	62,375
Total liabilities	211,220	219,002	328,205	330,352
NET ASSETS	418,457	418,197	209,834	208,301
EQUITY				
Capital and reserves attributable to Company's equity holders				
Share capital	209,468	209,468	209,468	209,468
Capital reserve	10,145	10,145	-	-
Revaluation and other reserves	94,317	100,962	4,120	2,904
Retained earnings	45,027	39,051	(3,754)	(4,071)
	358,957	359,626	209,834	208,301
Minority Interest	59,500	58,571	-	-
Total equity	418,457	418,197	209,834	208,301

* Please refer to Note 5. Restatement arose from changes to accounting standard FRS 21 (Issued Jan 2006)

Notes

In 2001, the Group paid income tax of \$6,825,000 in relation to The Sterling development project. The tax paid was based on the revalued amount of land when the developer's licence was obtained in April 1997 and excluded any tax effect on the revaluation surplus amounting to \$128,800,000 on the land prior to April 1997. Under the advice of tax counsel, the directors are of the opinion that the revaluation surplus of \$128,800,000 is capital accretion and therefore should not be subject to income tax. On the same basis, the directors are of the opinion that the revaluation surplus of the land for the Gardenvista development project prior to obtaining the developer's licence in October 2002 and the freehold land at Dunearn Road amounting to \$86,547,000 are also capital accretion. Accordingly, no income tax provision has been provided in relation to these revaluation surpluses in the financial statements for the year ended 31 December 2005.

In 2004, the Inland Revenue of Singapore (IRAS) had expressed its view that some of the revaluation surpluses for the development projects may not be considered capital accretion. Subsequent to the financial year ended 31 December 2005, in February 2006, IRAS reiterated its view that part of the revaluation surplus of \$128,800,000 on the land for The Sterling development project would not be considered capital accretion and requested for information in order to bring its assessments up to date. The directors maintain their view that the revaluation surpluses of \$128,800,000 and \$86,547,000 are capital accretion and would pursue the matter with IRAS.

As the ultimate outcome of the matter cannot be presently determined, no income tax liability on the revaluation surpluses of \$128,800,000 and \$86,547,000 has been provided for in the financial statements for the year ended 31 December 2005.

1(b)(i) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31.03.2006		As at 31.12.2005	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,519	18,700	9,841	15,500

Amount repayable after one year

As at 31.03.2006		As at 31.12.2005	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
103,016	-	107,018	-

Details of any collateral

The short-term bank loans of the Group are secured by corporate guarantees given by the Company and a subsidiary. The non-current bank loans are secured by a first mortgage over the residential development properties of a subsidiary.

Certain property, plant and equipment were purchased under finance lease agreements. The net book value of these assets acquired amounted to \$23,000 (2005: \$27,000).

1(c) Consolidated Cash Flow Statement

	3 months ended	
	31.03.2006	31.03.2005
	S\$'000	S\$'000
Cash flows from operating activities		
Total profit	1,437	822
Adjustments for :		
Tax	1,159	593
Depreciation of property, plant and equipment	2,913	2,916
Dividend income from quoted equity investments	(98)	(92)
Property, plant and equipment written-off	2	-
Unrealised translation (gains)/losses	(895)	563
Gain on disposal of property, plant and equipment	(77)	-
Gain on disposal of assets held for sale	(94)	-
Gain on disposal of quoted equity investments	-	(27)
Interest expense	927	646
Interest income	(459)	(452)
Provision for retirement benefits (net)	94	67
Share of profit of associated companies	(100)	(61)
Operating cash flow before working capital change	4,809	4,975
Change in operating assets and liabilities		
Development property	8,969	(1,100)
Inventories	6,802	5,007
Receivables	(3,464)	(5,069)
Other current assets	(101)	(2,918)
Trade and other payables	(4,071)	6,391
Due from associated companies (net)	(10)	-
Cash generated from operations	12,934	7,286
Income tax paid	(463)	(860)
Retirement benefits paid	(19)	(29)
Net cash provided by operating activities	12,452	6,397

	3 months ended	
	31.03.2006	31.03.2005
	S\$'000	S\$'000
Cash flows from investing activities		
Dividends received from quoted equity investments	98	92
Proceeds from sales of property, plant and equipment	138	-
Proceeds from sales of assets held for sale	746	-
Proceeds from disposal of quoted equity investments	-	87
Proceeds from redemption of unquoted equity investments	148	-
Dividend income received from associated company	245	-
Purchase of property, plant and equipment	(1,528)	(1,442)
Purchase of unquoted investments	(4)	(4)
Net cash used in investing activities	(157)	(1,267)
Cash flows from financing activities		
Interest received	459	452
Interest paid	(887)	(521)
Repayment of bank loans	(4,000)	(2,570)
Payment of finance lease liabilities	(2)	(10)
Net cash used in financing activities	(4,430)	(2,649)
Net increase in cash and cash equivalents	7,865	2,481
Cash and cash equivalents at the beginning of the financial period	73,372	72,999
Cash and cash equivalents at the end of the financial period	81,237	75,480
Represented by:		
Cash at bank and on hand	25,380	17,762
Fixed deposits with financial institutions	55,857	57,718
	81,237	75,480

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling \$ 6,561,000 (2005: \$8,035,000) held under the Housing Developers (Project Account) (Amendment) Rules 1997 and the Housing Developers (Project Account) Rules (1990 Ed), withdrawals from which must be in accordance with the said Rules.

1(d)(i) Consolidated Statement of Changes in Equity

For the financial period ended 31 March 2006

	Total share capital	Capital reserve	Property revaluation reserve	Fair value reserve	Foreign currency translation reserve	General reserve	Retained earnings	Minority interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2006									
- As previously reported	209,468	10,145	139,590	2,904	(40,663)	1,632	36,550	58,571	418,197
- Effect of changes in accounting policies (Adjusted retrospectively)	-	-	-	-	(2,501)	-	2,501	-	-
- As restated	209,468	10,145	139,590	2,904	(43,164)	1,632	39,051	58,571	418,197
Fair value gain on available-for-sale investments	-	-	-	1,583	-	-	-	-	1,583
Currency translation differences	-	-	-	-	(2,567)	-	-	(193)	(2,760)
Net loss recognised directly in equity	-	-	-	1,583	(2,567)	-	-	(193)	(1,177)
Profit for the period	-	-	-	-	-	-	315	1,122	1,437
Total recognised gains/(loss) for the period ended 31 March 2006	-	-	-	1,583	(2,567)	-	315	929	260
Transfer from reserve on realisation	-	-	(5,661)	-	-	-	5,661	-	-
Balance at 31 March 2006	209,468	10,145	133,929	4,487	(45,731)	1,632	45,027	59,500	418,457

1(d)(i) Consolidated Statement of Changes in Equity

For the financial period ended 31 March 2005

	Total share capital	Capital reserve	Property revaluation reserve	Fair value reserve	Foreign currency translation reserve	General reserve	Retained earnings	Minority interest	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2005									
- As previously reported	206,147	10,145	154,532	4,041	(45,808)	1,632	32,555	57,696	420,940
- Effect of changes in accounting policies (Adjusted retrospectively)	-	-	-	-	(2,779)	-	2,779	-	-
- As restated	206,147	10,145	154,532	4,041	(48,587)	1,632	35,334	57,696	420,940
Fair value loss on available-for-sale investments	-	-	-	(1,513)	-	-	-	-	(1,513)
Currency translation differences- restated*	-	-	-	-	1,273	-	-	375	1,648
Net gain recognised directly in equity	-	-	-	(1,513)	1,273	-	-	375	135
Profit/(loss) for the period- restated*	-	-	-	-	-	-	(145)	967	822
Total recognised (losses)/ gains for the period ended 31 March 2005	-	-	-	(1,513)	1,273	-	(145)	1,342	957
Transfer from reserve on realisation	-	-	(2,177)	-	-	-	2,177	-	-
Balance at 31 March 2005	206,147	10,145	152,355	2,528	(47,314)	1,632	37,366	59,038	421,897

* Please refer to Note 5. Restatement arose from changes to accounting standard FRS 21 (Issued Jan 2006)

1(d)(i) Statement of Changes in Equity

For the financial period ended 31 March 2006

	Share capital	Fair value reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2006	209,468	2,904	(4,071)	208,301
Fair value gain on available-for-sale investments	-	1,216	-	1,216
Net gain recognised directly in equity	-	1,216	-	1,216
Net profit for the period	-	-	317	317
Balance at 31 March 2006	209,468	4,120	(3,754)	209,843

For the financial period ended 31 March 2005

	Share capital	Foreign currency translation reserve	Fair value reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2005					
- As previously reported	206,147	(1,423)	-	16,642	221,366
- Effect of changes in accounting policies	-	1,423	3,952	(1,423)	3,952
- Restated	206,147	-	3,952	15,219	225,318
Fair value loss on available-for-sale investments	-	-	(1,424)	-	(1,424)
Net loss recognised directly in equity	-	-	(1,424)	-	(1,424)
Net profit for the period	-	-	-	809	809
Balance at 31 March 2005	206,147	-	2,528	16,028	224,703

- 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 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.**

There were no changes in the Company's share capital during the current financial period reported on.

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

The figures have not been audited nor reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2005 and the revised Financial Reporting Standards disclosed in paragraph 5 below.

- 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.**

Changes in accounting policies

In 2006, the Group and the Company adopted the Financial Reporting Standard FRS 21 (Issued Jan 2006), The Effects of Changes in Foreign Exchange Rates. The 2005 comparatives have been restated where as required, in accordance with the respective FRS.

The adoption of the above FRS did not result in changes to the Group's and Company's accounting policies except as discussed below:

5.1 Effect of changes to the financial statements

Group

	Increase/(decrease)
	FRS 21 (Issued Jan 2006) S\$'000
	Note 5.2
<i>Consolidated balance sheets items at 31 March 2006</i>	
Retained earnings	2,540
Foreign currency translation reserve	(2,540)
<i>Consolidated balance sheets items at 1 January 2006</i>	
Retained earnings	2,501
Foreign currency translation reserve	(2,501)
<i>Consolidated income statement items for the period ended 31 March 2006</i>	
Other gains	39
Basic and diluted earnings per share (cents)	0.01

Group	Increase/(decrease)
	FRS 21 (Issued Jan 2006) S\$'000
	Note 5.2
<i>Consolidated balance sheets items at 31 March 2005</i>	
Retained earnings	2,564
Foreign currency translation reserve	(2,564)
<i>Consolidated balance sheets items at 1 January 2005</i>	
Retained earnings	2,779
Foreign currency translation reserve	(2,779)
<i>Consolidated income statement items for the period ended 31 March 2005</i>	
Other gains	(215)
Basic and diluted earnings per share (cents)	(0.04)

5.2 Description of changes

Amendments relating to net investment in a foreign operation (Issued Jan 2006)

Where a monetary item that forms part of the Company's net investment in a subsidiary and is denominated in a currency other than the functional currency of either the Company or the subsidiary, FRS 21 (Issued Jan 2006) requires the exchange differences that arise on translating the monetary item into the functional currency of the Company or the subsidiary to be recognised in the Group's foreign currency translation reserve. Previously, they were included in the Group's consolidated income statement.

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 months	
	01.01.2006 To 31.03.2006 Cents	01.01.2005 To 31.03.2005 Cents
Earnings per ordinary share for the period based on net profit/ (loss) attributable to equity holders of the Company during the period:-		
(a) Based on weighted average number of ordinary share in issue	0.06	(0.03)
(b) On a fully diluted basis	0.06	(0.03)
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	569,876	568,549
Weighted average number of ordinary shares in issue for diluted earnings per share ('000)	570,317	568,549

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31.03.2006 Cents	31.12.2005 Cents	31.03.2006 Cents	31.12.2005 Cents
Net asset value per ordinary share based on issued share capital as at the end of the reporting period	62.99	63.11	36.82	36.55

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.

8(a) Year to Date Results- 3 Months ended 31 March 2006 vs. 3 Months ended 31 March 2005

Revenue and Operating Costs

The Group recorded revenue of \$105.87 million in 1Q2006, which was 21.6% higher than that achieved in 1Q2005 of \$87.07 million. The increase was due to improved sales from food and beverage division, especially from its Malaysia and China operations and higher property sales. Gross profit for the Group improved from \$30.90 million to \$31.56 million, which was generally in line with higher sales revenue.

The Group reported a net profit after tax and minority interests of \$0.32 million in 1Q2006 as compared to loss of \$0.15 million in 1Q2005. The improvement was mainly due to:

- Higher gross profit of \$0.66 million due to higher sales revenue;
- Lower selling and distribution expenses of \$0.70 million in 1Q2006 due mainly to the absence of provision for compensation in relation to a legal suit made in 1Q2005;

The increase was partially offset by the following:

- Higher finance expenses of \$0.28 million due mainly to the increase of prevailing interest rate in Singapore market;
- Higher provision for income tax of \$0.56 million largely due to the absence of an adjustment for over provision of prior year tax of \$0.40 million in Singapore and higher tax expenses of \$0.19 million as a result of increased sales in Malaysia;
- Lower other gains of \$0.13 million due mainly to exchange loss of \$0.26 million due to the weakening of US dollars against Singapore dollar, partially offset by the higher rental income derived from Hong Kong's investment property.

8(b) Balance Sheet- 31 March 2006 vs. 31 December 2005

Group

Trade receivables for the Group increased by \$3.46 million or 4.6%, from \$75.07 million as at 31 December 2005 to \$78.53 million as at 31 March 2006 due to higher receivables from property sales as a result of higher percentage of completion of the property project. The increase is partially offset by improved collection from the food and beverage division.

Inventories were reduced to \$37.99 million at 31 March 2006 as compared to \$44.79 million at 31 December 2005 due mainly to sale of Chinese New Year stocks built up in December 2005 for the festive season.

Development property balance decreased by \$8.97 million to \$221.40 million as at 31 March 2006, from \$230.37 million as at 31 December 2005 due to additional sale of units in Gardenvista in 1Q2006.

Available-for-sale financial assets increased by \$1.43 million to \$22.09 million as at 31 March 2006, from \$20.66 million as at 31 December 2005. The increase was due to \$1.58 million gain on revaluation of quoted investments at its fair value, partially offset by redemption of unquoted investments amounting to \$0.15 million.

Property, plant and equipment decreased by \$3.38 million to \$159.56 million as at 31 March 2006, from \$162.94 million as at 31 December 2005 due mainly to the depreciation charge incurred during the period.

Trade and other payables decreased by \$4.03 million as at 31 March 2006 which was in line with the lower inventory balance and lower total advertising and promotion and administrative expenses.

Long-term bank borrowings reduced by \$4 million as at 31 March 2006 as a result of partial loan repayment.

Company

The Company's cash and cash equivalents decreased by S\$1.77 million from S\$6.76 million as at 31 December 2005 to S\$4.99 million as at 31 March 2006 due mainly to an advance made to a subsidiary.

Available-for-sale financial assets increased by S\$1.07 million from S\$18.3 million as at 31 December 2005 to S\$19.37 million as at 31 March 2006 was due to S\$1.22 million gain on revaluation of quoted investments at its fair value and offset by partial redemption of investment worth S\$0.15 million.

Loans to and from subsidiaries recorded a net increase in liability by S\$0.51 million. Net loan due from subsidiaries was S\$16.63 million as at 31 March 2006 compared against S\$16.12 million as at 31 December 2005. This was largely due to the weakening of Hong Kong dollar against Singapore dollar, resulting in an unfavourable impact on the Company's Hong Kong dollar inter-company loans to/from subsidiaries.

8(c) Cash Flow Statement

3 months ended 31 March 2006 vs. 3 months ended 31 March 2005

The Group reported a net increase in cash of \$7.87 million for the 3 months ended 31 March 2006, as compared to a net increase in cash of \$2.48 million for the previous corresponding quarter.

The net increase in cash was contributed by \$12.45 million from operating activities and was negated by the net cash outflow from investing and financing activities amounting to \$4.58 million.

Cash outflow from investing activities was due to purchase of property, plant & equipment worth \$1.53 million and was offset by the proceeds from disposal of assets and dividend received from associated company and quoted investment.

Cash outflow from financing activities of \$4.43 million was due to net bank loans repaid of \$4.00 million and net interest paid of \$0.43 million.

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

The current announced results are in line with the prospect statement disclosed previously.

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.

Raw materials prices continue to rise and the selling prices continue to be very competitive. Nevertheless, barring any significant change in operating conditions, the Group expects its Year 2006 earnings for the Food and Beverage division to remain satisfactory.

For the Property division, the Group will continue to drive sales on its existing developments.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate movements, cost of capital and capital availability, competition from other companies and venues for sale/manufacture/distribution of goods and services, shift in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events

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 is recommended for the financial period reported on.

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
10 May 2006