

YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

Unaudited Financial Statements and Dividend Announcement for the period ended 31 December 2011

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

1(a)(i) Consolidated Statement of Comprehensive Income

	12 Months		3 Months	
	01.01.2011 to 31.12.2011	01.01.2010 to 31.12.2010	01.10.2011 to 31.12.2011	01.10.2010 to 31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	443,000	399,841	93,624	87,937
Cost of sales	(275,978)	(251,672)	(55,450)	(56,018)
Gross profit	167,022	148,169	38,174	31,919
Other income	2,153	2,183	585	581
Other gains/(losses) - net	12,118	(424)	7,949	4,839
Expenses				
- Advertising and promotion	(38,388)	(33,371)	(8,461)	(8,180)
- Marketing	(3,919)	(2,260)	(1,276)	(622)
- Selling and distribution	(58,777)	(56,345)	(16,256)	(13,995)
- Administrative	(24,483)	(23,844)	(6,585)	(5,968)
- Finance	(197)	(649)	(34)	(96)
Share of profits/(losses) of associated companies	871	339	122	(40)
Profit before income tax	56,400	33,798	14,218	8,438
Income tax expense	(11,229)	(6,902)	(4,617)	(2,463)
Net profit for the period	45,171	26,896	9,601	5,975
Other comprehensive (losses)/income:				
Financial assets, available-for-sale				
- Fair value (losses)/gains	(4,576)	54,199	(13,850)	21,346
Currency translation differences arising from consolidation	(3,525)	1,231	(914)	(2,727)
Currency translation reserves transferred to profit or loss upon liquidation of subsidiaries	(2,182)	(1,652)	-	-
Reduction in property revaluation reserve arising from impairment of properties	-	(2,741)	-	-
Other comprehensive (losses)/income for the period, net of tax	(10,283)	51,037	(14,764)	18,619
Total comprehensive income/(losses) for the period	34,888	77,933	(5,163)	24,594
Net profit/(loss) attributable to:				
Equity holders of the Company	41,191	26,840	8,324	6,353
Non-controlling interests	3,980	56	1,277	(378)
	45,171	26,896	9,601	5,975
Total comprehensive income/(losses) attributable to:				
Equity holders of the Company	32,217	76,398	(6,722)	25,379
Non-controlling interests	2,671	1,535	1,559	(785)
	34,888	77,933	(5,163)	24,594

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

Net profit for the period is derived after (crediting)/charging the following:

	12 Months		3 Months	
	01.01.2011 to 31.12.2011	01.01.2010 to 31.12.2010	01.10.2011 to 31.12.2011	01.10.2010 to 31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Revenue</u>				
Dividend income from financial assets, available-for-sale	(3,720)	(2,573)	(11)	(10)
<u>Cost of sales</u>				
Depreciation	3,762	4,792	692	873
Write-down of inventories, net	1,249	2,925	1,210	1,597
<u>Marketing expense</u>				
Depreciation	16	26	2	6
<u>Selling and distribution expense</u>				
Depreciation	2,106	2,059	572	461
(Write-back of impairment)/Impairment of trade receivables, net	(20)	955	(65)	240
<u>Administrative expense</u>				
Depreciation	2,286	2,669	627	567
<u>Other losses/(gains) - net</u>				
Impairment loss on property, plant and equipment	753	6,097	-	563
Property, plant and equipment written-off	17	59	4	16
Gain on liquidation of subsidiaries, net	(2,182)	(1,526)	-	-
Impairment loss on financial assets, available-for-sale	1,049	965	748	-
Fair value gains on financial assets, at fair value through profit or loss	(1,044)	(220)	(188)	(169)
Write-back of allowance for foreseeable losses on development properties	(1,988)	(2,700)	(1,452)	(2,503)
Fair value gains on investment properties, net	(7,978)	(3,375)	(7,978)	(3,375)
Net foreign exchange loss	904	4,186	357	783
(Gain)/Loss on disposal of property, plant and equipment	(512)	(90)	(16)	7
Write-back of loan from an associated company	(1,155)	-	-	-
<u>Other income</u>				
Interest income	(148)	(500)	(37)	(54)
<u>Finance expense</u>				
Interest expense on bank borrowings	197	649	34	96
<u>Income tax</u>				
(Over)/Under provision of tax in respect of prior years	(89)	(427)	146	(545)

1(b) Balance Sheets

	Group		Company	
	As at 31.12.2011	As at 31.12.2010	As at 31.12.2011	As at 31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	107,059	100,634	2,053	7,171
Financial assets, at fair value through profit or loss	13,106	20,429	-	-
Trade and other receivables	73,752	64,822	14,252	14,888
Inventories	54,737	46,886	-	-
Development properties	118,564	117,432	-	-
Current income tax recoverable	879	604	-	-
Other current assets	5,099	3,105	82	60
	373,196	353,912	16,387	22,119
Assets held for sale	1,615	-	-	-
	374,811	353,912	16,387	22,119
Non-current assets				
Financial assets, available-for-sale	102,723	108,548	8,814	8,568
Loans to subsidiaries	-	-	21,814	21,868
Investments in associated companies	4,235	3,204	-	-
Investments in subsidiaries	-	-	301,978	398,227
Investment properties	62,069	56,555	45,631	33,000
Property, plant and equipment	126,443	109,420	70	11
Intangible assets	-	17	-	-
Deferred income tax assets	1,379	1,381	-	-
	296,849	279,125	378,307	461,674
Total assets	671,660	633,037	394,694	483,793
LIABILITIES				
Current liabilities				
Trade and other payables	86,372	71,178	69,788	263,006
Current income tax liabilities	3,088	2,822	404	320
Borrowings	10,808	26,857	5,000	13,000
	100,268	100,857	75,192	276,326
Non-current liabilities				
Loans from subsidiaries	-	-	-	13,724
Provisions for other liabilities and charges	2,239	2,237	-	-
Deferred income tax liabilities	25,598	19,615	1,416	238
Other non-current liabilities	33	34	-	-
	27,870	21,886	1,416	13,962
Total liabilities	128,138	122,743	76,608	290,288
NET ASSETS	543,522	510,294	318,086	193,505
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	218,568	218,568	218,568	218,568
Capital reserves	6,066	6,066	-	-
Other reserves	96,832	119,298	4,859	3,690
Retained profits/(Accumulated losses)	167,117	111,923	94,659	(28,753)
	488,583	455,855	318,086	193,505
Non-controlling interests	54,939	54,439	-	-
TOTAL EQUITY	543,522	510,294	318,086	193,505

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

Amount repayable in one year or less, or on demand

As at 31.12.2011		As at 31.12.2010	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,808	5,000	6,857	20,000

Details of any collateral

As at 31 December 2011, short-term bank loans of the Group totalling \$5,808,000 are secured by a first mortgage over an investment property of a subsidiary.

As at 31 December 2010, short-term bank loans of the Group totalling \$6,857,000 are secured by certain available-for-sale financial assets, fixed deposits and a first mortgage over an investment property of a subsidiary.

1(c) Consolidated Statement of Cash Flows

	12 Months ended		3 Months ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit for the period	45,171	26,896	9,601	5,975
Adjustments for :				
Income tax expense	11,229	6,902	4,617	2,463
Depreciation of property, plant and equipment	8,170	9,546	1,893	1,907
Dividend income from financial assets, available-for-sale	(3,720)	(2,573)	(11)	(10)
Employee share-based payment expense	511	-	511	-
Property, plant and equipment written-off	17	59	4	16
Fair value gains on investment properties, net	(7,978)	(3,375)	(7,978)	(3,375)
Currency exchange difference on consolidation	(1,817)	2,989	(479)	79
(Gain)/Loss on disposal of property, plant and equipment	(512)	(90)	(16)	7
Fair value gains on financial assets, at fair value through profit or loss	(1,044)	(220)	(188)	(169)
Gain on liquidation of subsidiaries	(2,182)	(1,526)	-	-
Write-off of intangible assets	17	-	-	-
Impairment loss on financial assets, available-for-sale	1,049	965	748	-
Interest expense	197	649	34	96
Interest income	(148)	(500)	(37)	(54)
Write-back of allowance for foreseeable losses on development properties	(1,988)	(2,700)	(1,452)	(2,503)
Provision/(Write-back of provision) for retirement benefits	292	64	69	(169)
Write-back of provision for restructuring cost	-	(143)	-	(143)
Impairment loss on property, plant and equipment	753	6,097	-	563
Share of (profits)/losses of associated companies	(871)	(339)	(122)	40
Operating cash flow before working capital change	47,146	42,701	7,194	4,723
Change in working capital				
Trade and other receivables	(8,930)	10,983	7,799	12,119
Inventories	(7,851)	1,926	(9,460)	(9,347)
Development properties	856	12,573	(14,035)	356
Other current assets	(1,572)	41	(1,333)	90
Trade and other payables	15,182	(10,852)	3,205	(2,196)
Cash generated from/(used in) operations	44,831	57,372	(6,630)	5,745
Income tax (paid)/refunded	(4,973)	184	(1,910)	(1,096)
Restructuring costs paid	-	(17)	-	(2)
Retirement benefits paid	(226)	(412)	(40)	(263)
Net cash provided by/(used in) operating activities	39,632	57,127	(8,578)	4,384

1(c) Consolidated Statement of Cash Flows (continued)

	12 Months ended		3 Months ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Dividends received from financial assets, available-for-sale	3,720	2,573	11	10
Additions of intangible assets	-	(17)	-	(17)
Proceeds from disposal of property, plant and equipment	540	210	17	72
Proceeds from disposal of unquoted financial asset, available-for-sale	-	13	-	13
Proceeds from disposal of financial assets, at fair value through profit or loss	38,423	10,105	30,214	10,105
Purchases of property, plant and equipment	(26,757)	(6,404)	(16,685)	(2,686)
Renovation of investment property	-	(99)	-	(3)
Purchases of financial assets, available-for-sale	(35)	(38)	(11)	(11)
Purchases of financial assets, at fair value through profit or loss	(30,656)	(30,316)	(14,238)	(2,886)
Interest received	148	500	37	54
Net cash (used in)/provided by investing activities	(14,617)	(23,473)	(655)	4,651
Cash flows from financing activities				
Dividends paid to non-controlling shareholders of a subsidiary	(2,169)	(1,146)	(2,169)	-
Withdrawal of a fixed deposit pledged for bank borrowings	6,718	-	-	-
Purchases of treasury shares in a subsidiary from non-controlling interests	(2)	(1)	(1)	-
Interest paid	(186)	(625)	(32)	(84)
Repayments of borrowings	(19,000)	(30,000)	(4,000)	(6,000)
Proceeds from borrowings	3,000	6,000	-	6,000
Net cash used in financing activities	(11,639)	(25,772)	(6,202)	(84)
Net increase/(decrease) in cash and cash equivalents	13,376	7,882	(15,436)	8,951
Cash and cash equivalents at the beginning of the financial period	93,683	85,801	122,495	84,732
Cash and cash equivalents at the end of the financial period*	107,059	93,683	107,059	93,683
Represented by:				
Cash at bank and on hand	34,059	32,716	34,059	32,716
Fixed deposits with financial institutions	73,000	67,918	73,000	67,918
Cash and cash equivalents as per balance sheet	107,059	100,634	107,059	100,634
Less: Fixed deposits pledged for bank borrowings	-	(6,951)	-	(6,951)
Cash and cash equivalents as per above*	107,059	93,683	107,059	93,683

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling \$78,216,000 (2010: \$48,804,000) 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 December 2011

	Attributable to equity holders of the Company								Non-controlling interests	Total equity	
	Share capital \$'000	Capital reserves \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Share-based payment reserve \$'000	Retained profits \$'000	Total \$'000	\$'000	\$'000
Balance at 1 January 2011	218,568	6,066	84,241	66,586	(32,649)	1,120	-	111,923	455,855	54,439	510,294
Transfer to retained profits on realisation	-	-	(2,342)	-	-	-	-	2,342	-	-	-
Total comprehensive losses for the period	-	-	-	(7,403)	(2,473)	-	-	5,951	(3,925)	799	(3,126)
Balance at 31 March 2011	218,568	6,066	81,899	59,183	(35,122)	1,120	-	120,216	451,930	55,238	507,168
Effect of treasury shares in a subsidiary acquired from non-controlling interests	-	-	-	-	-	-	-	-	-	(1)	(1)
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(1,627)	(1,627)
Transfer to retained profits on realisation	-	-	(5,274)	-	-	-	-	5,274	-	-	-
Total comprehensive income for the period	-	-	-	9,162	(2,888)	-	-	14,684	20,958	(643)	20,315
Balance at 30 June 2011	218,568	6,066	76,625	68,345	(38,010)	1,120	-	140,174	472,888	52,967	525,855
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(542)	(542)
Transfer to retained profits on realisation	-	-	(4,428)	-	-	-	-	4,428	-	-	-
Total comprehensive income for the period	-	-	-	7,640	2,034	-	-	12,232	21,906	956	22,862
Balance at 30 September 2011	218,568	6,066	72,197	75,985	(35,976)	1,120	-	156,834	494,794	53,381	548,175
Effect of treasury shares in a subsidiary acquired from non-controlling interests	-	-	-	-	-	-	-	-	-	(1)	(1)
Employee share-based payment scheme-value of employee services	-	-	-	-	-	-	511	-	511	-	511
Transfer to retained profits on realisation	-	-	(1,959)	-	-	-	-	1,959	-	-	-
Total comprehensive losses for the period	-	-	-	(14,347)	(699)	-	-	8,324	(6,722)	1,559	(5,163)
Balance at 31 December 2011	218,568	6,066	70,238	61,638	(36,675)	1,120	511	167,117	488,583	54,939	543,522

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

For the financial period ended 31 December 2010

	Attributable to equity holders of the Company								Non-controlling interests	Total equity	
	Share capital \$'000	Capital reserves \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Share-based payment reserve \$'000	Retained profits \$'000	Total \$'000	\$'000	\$'000
Balance at 1 January 2010	218,568	10,145	96,087	13,195	(30,485)	1,120	-	70,827	379,457	55,005	434,462
Transfer to retained profits on realisation	-	-	(1,385)	-	-	-	-	1,385	-	-	-
Total comprehensive income for the period	-	-	-	6,659	2,814	-	-	4,512	13,985	2,659	16,644
Balance at 31 March 2010	218,568	10,145	94,702	19,854	(27,671)	1,120	-	76,724	393,442	57,664	451,106
Effect of treasury shares in a subsidiary acquired from non-controlling interests	-	-	-	-	-	-	-	-	-	(1)	(1)
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(1,146)	(1,146)
Transfer to retained profits on realisation	-	-	(1,683)	-	-	-	-	1,683	-	-	-
Total comprehensive income for the period	-	-	(1,664)	10,404	242	-	-	5,392	14,374	(1,150)	13,224
Balance at 30 June 2010	218,568	10,145	91,355	30,258	(27,429)	1,120	-	83,799	407,816	55,367	463,183
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(954)	(954)
Transfer to retained profits on realisation	-	(4,079)	(4,313)	-	-	-	-	8,392	-	-	-
Total comprehensive income for the period	-	-	-	15,283	(3,206)	-	-	10,583	22,660	811	23,471
Balance at 30 September 2010	218,568	6,066	87,042	45,541	(30,635)	1,120	-	102,774	430,476	55,224	485,700
Transfer to retained profits on realisation	-	-	(2,801)	-	5	-	-	2,796	-	-	-
Total comprehensive income for the period	-	-	-	21,045	(2,019)	-	-	6,353	25,379	(785)	24,594
Balance at 31 December 2010	218,568	6,066	84,241	66,586	(32,649)	1,120	-	111,923	455,855	54,439	510,294

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

For the financial period ended 31 December 2011

	Share capital	Fair value reserve	Share-based payment reserve	(Accumulated losses) / Retained profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2011	218,568	3,690	-	(28,753)	193,505
Total comprehensive income for the period	-	322	-	(176)	146
Balance at 31 March 2011	218,568	4,012	-	(28,929)	193,651
Total comprehensive income for the period	-	(93)	-	116,309	116,216
Balance at 30 June 2011	218,568	3,919	-	87,380	309,867
Total comprehensive losses for the period	-	(727)	-	154	(573)
Balance at 30 September 2011	218,568	3,192	-	87,534	309,294
Employee share-based payment scheme-value of employee services	-	-	511	-	511
Total comprehensive income for the period	-	1,156	-	7,125	8,281
Balance at 31 December 2011	218,568	4,348	511	94,659	318,086

For the financial period ended 31 December 2010

	Share capital	Fair value reserve	Share-based payment reserve	Accumulated losses	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2010	218,568	1,678	-	(53,270)	166,976
Total comprehensive losses for the period	-	78	-	(287)	(209)
Balance at 31 March 2010	218,568	1,756	-	(53,557)	166,767
Total comprehensive income for the period	-	631	-	19,335	19,966
Balance at 30 June 2010	218,568	2,387	-	(34,222)	186,733
Total comprehensive losses for the period	-	905	-	(3,648)	(2,743)
Balance at 30 September 2010	218,568	3,292	-	(37,870)	183,990
Total comprehensive income for the period	-	398	-	9,117	9,515
Balance at 31 December 2010	218,568	3,690	-	(28,753)	193,505

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.

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

	31.12.2011	31.12.2010
Number of issued shares excluding treasury shares ('000)	573,920	573,920

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.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2011 (31 December 2010: Nil). The Company does not have any treasury shares.

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.

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 2010 except for the adoption of 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.

On 1 January 2011, the Group adopted the following amendment to existing standard that has been published.

Amendments to FRS 24 – Related party disclosures (effective for annual periods beginning on or after 1 January 2011)

There was no material impact on the financial statements of the Group and of the Company on adoption of the amendment to FRS mentioned above.

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		Group	
	12 Months		3 Months	
	01.01.2011 To 31.12.2011	01.01.2010 To 31.12.2010	01.10.2011 To 31.12.2011	01.10.2010 To 31.12.2010
	Earnings per ordinary share for the period based on net profit attributable to equity holders of the Company during the period:-			
(a) Based on weighted average number of ordinary share in issue (cents)	7.18	4.68	1.45	1.11
(b) On a fully diluted basis (cents)	7.17	4.68	1.45	1.11
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	573,920	573,920	573,920	573,920
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	574,395	573,920	574,526	573,920

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	
	31.12.2011 Cents	31.12.2010 Cents	31.12.2011 Cents	31.12.2010 Cents
Net asset value per ordinary share based on total number of issued shares excluding treasury shares* as at the end of the reporting period	85.13	79.43	55.42	33.72

* The Company does not have any treasury shares.

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 - 12 Months ended 31 December 2011 vs. 12 Months ended 31 December 2010

Food and Beverage division performance

The Food and Beverage (“F&B”) revenue increased by 7.2% to \$371.45 million for the financial year ended 31 December 2011 as compared to \$346.35 million recorded last year. The F&B division gross profit improved by 8.8% to \$135.92 million as compared to \$124.90 million recorded last year.

Overall, the F&B division recorded higher net profit after tax attributable to equity holders of the Company of \$7.99 million in the current year as compared to net profit after tax of \$4.36 million in the prior year due to:

- Higher gross profit of \$11.02 million which is in line with higher revenue; and
- Lower impairment loss on property, plant and equipment of \$5.34 million as the bulk of the impairment loss arising from the reorganisation of the Group’s Malaysia and China manufacturing facilities was recognised in the prior year.

The increase was partially offset by:

- Higher advertising and promotion expenses of \$5.02 million mainly due to increased promotion activities carried out in Singapore and Malaysia;
- Higher selling and distribution expenses of \$2.49 million mainly due to higher transport and freight cost which are in line with higher sales in Singapore and Malaysia;
- Higher tax expense of \$1.44 million which is in line with higher operating profits in Malaysia; and
- Higher allocation to non-controlling shareholders of \$3.92 million due to higher profits earned by the non-wholly owned Malaysia subsidiaries.

Property division performance

Revenue from Property division, which is recognised progressively, increased by \$16.90 million to \$67.86 million in the current period as compared to \$50.96 million recorded in the prior year. Net profit after tax improved from \$17.32 million in the prior year to \$21.16 million in the current year.

The higher revenue and profit after tax is mainly due to progressive recognition of profits from sold units as well as higher selling price for the units of development properties sold in the current year.

Group performance

The improved performance from both the F&B and property divisions in the current year, coupled with higher valuation gain of \$4.60 million from investment properties, \$1.15 million higher dividend income from available-for-sale financial assets and write-back of a loan from an associated company of \$1.16 million, contributed to \$14.35 million higher net profit after tax attributable to equity holders of the Company of \$41.19 million in the current year, as compared to a net profit after tax of \$26.84 million in the prior year.

8(b) Fourth Quarter Results - 3 Months ended 31 December 2011 vs. 3 Months ended 31 December 2010

Food and Beverage division performance

The F&B revenue increased by 14.4% to \$84.90 million for the quarter ended 31 December 2011 as compared to \$74.20 million recorded in the corresponding quarter last year. The F&B division recorded a higher gross profit of \$31.95 million as compared to \$26.63 million in the corresponding quarter last year. The above gains were offset by:

- Higher selling and distribution expenses of \$2.32 million mainly due to higher transport and freight cost from Singapore and Malaysia in line with higher sales;
- Higher administrative expenses of \$0.91 million mainly due to higher staff cost and share based payment expenses; and
- Higher allocation to non-controlling shareholders of \$1.66 million due to higher profits earned by the non-wholly owned Malaysia subsidiaries.

Overall, the F&B division recorded a lower net loss after tax attributable to equity holders of the Company of \$1.75 million in the current quarter as compared to net loss after tax of \$2.42 million in the corresponding quarter last year.

Property division performance

Revenue from Property division decreased by \$5.00 million to \$8.72 million in the current quarter as compared to \$13.71 million recorded in the corresponding quarter last year. The Property division recorded a higher gross profit of \$5.97 million as compared to \$ 5.06 million in the corresponding quarter last year. Net profit after tax of \$5.88 million is recorded in the current quarter as compared to \$5.86 million in the corresponding quarter last year.

The lower revenue is mainly due to fewer units sold in the current quarter compared to corresponding quarter last year. The higher gross profit is mainly due to progressive recognition of profits from sold units as well as higher selling price for the units sold in the current quarter. The slightly higher profit after tax is largely due to higher gross profit in the current quarter.

Group performance

The Group achieved \$1.97 million higher net profit after tax attributable to equity holders of the Company of \$8.32 million in the current period, as compared to a net profit after tax of \$6.35 million in the corresponding quarter last year due to:

- The improved performance from F&B and Property divisions which contributed higher profits of \$0.68 million in the current quarter;
- Higher fair value gain from investment properties of \$4.60 million in the current quarter.

The increase was partially offset by:

- Higher impairment loss on financial assets, available-for-sale of \$0.75 million;
- Higher variable bonus and share-based payment expenses of \$0.53 million in the current quarter; and
- Higher provision for deferred tax of \$1.78 million due to higher valuation gain for investment properties in the corresponding quarter.

8(c) Balance Sheets – 31 December 2011 vs. 31 December 2010

Group

Financial assets, at fair value through profit or loss, decreased by \$7.32 million from \$20.43 million as at 31 December 2010 to \$13.11 million as at 31 December 2011. The decrease was mainly due to disposal of investment in unit trusts by the Group's Malaysian subsidiary in the current financial year.

Trade and other receivables increased by \$8.93 million from \$64.82 million as at 31 December 2010 to \$73.75 million as at 31 December 2011. The increase was largely in line with higher sales in the current financial period and an insurance claim receivable by our Malaysia subsidiary.

Inventories increased by \$7.85 million from \$46.89 million as at 31 December 2010 to \$54.74 million as at 31 December 2011 mainly due to higher stock build-up for the Chinese New Year festive season in Malaysia subsidiary.

Financial assets, available-for-sale, decreased by \$5.83 million from \$108.55 million as at 31 December 2010 to \$102.72 million as at 31 December 2011 largely due to impairment and fair value losses in the current financial year.

Investment properties increased by \$5.51 million from \$56.56 million to \$62.07 million largely due to fair value gain from properties held by Hong Kong, Malaysia and USA subsidiaries, and partially offset by properties reclassified to assets held for sale in the Malaysia subsidiary.

Property, plant and equipment increased by \$17.02 million from \$109.42 million to \$126.44 million largely due to cost incurred in the construction of a new warehouse in Singapore and the construction and/or renovation of factories in Malaysia and Guangdong arising from their relocation exercises.

Trade and other payables increased by \$15.19 million from \$71.18 million as at 31 December 2010 to \$86.37 million as at 31 December 2011 mainly due to higher accruals from more advertising and promotion activities in Malaysia and higher accrual of construction and furniture costs from the Property division.

Bank borrowings decreased by \$16.05 million from \$26.86 million as at 31 December 2010 to \$10.81 million as at 31 December 2011 mainly due to repayment of short-term bank loans during the year.

Deferred income tax liabilities increased by \$5.98 million from \$19.62 million as at 31 December 2010 to \$25.60 million as at 31 December 2011 mainly due to progressive profit recognition on its development property sales, for which tax is deferred and payable upon the project obtaining TOP in 2012.

Company

Investments in subsidiaries decreased by \$96.25 million from \$398.23 million as at 31 December 2010 to \$301.98 million as at 31 December 2011 mainly due to liquidation of subsidiaries.

Investment properties increased by \$12.63 million from \$33.00 million as at 31 December 2010 to \$45.63 million as at 31 December 2011 due to fair value gain in the current financial period and addition of a new warehouse building which is still under construction as at 31 December 2011.

Trade and other payables decreased by \$193.22 million from \$263.01 million as at 31 December 2010 to \$69.79 million as at 31 December 2011 mainly due to settlement of intercompany balances of \$198.00 million upon liquidation of subsidiaries. The decrease was partially offset by a \$4.89 million advance from a Singapore subsidiary to pay for the construction costs of the new warehouse.

Borrowings decreased by \$8.00 million from \$13.00 million as at 31 December 2010 to \$5.00 million as at 31 December 2011 due to repayment of short-term bank loan during the year.

Loans from subsidiaries decreased by \$13.72 million to zero as at 31 December 2011 due to full settlement upon liquidation of subsidiaries.

8(d) Statement of Cash Flows

Year to Date - 12 months ended 31 December 2011 vs. 12 months ended 31 December 2010

The Group registered a net increase in cash and cash equivalents of \$13.38 million for the year ended 31 December 2011.

Net operating cash inflows generated by the Food and Beverage division and the Property division were \$11.33 million and \$28.30 million respectively.

Cash outflow from investing activities of \$14.62 million was mainly due to purchase of financial assets, at fair value through profit or loss of \$30.66 million and purchase of property, plant and equipment of \$26.76 million, and partially offset by proceeds from sales of financial assets, at fair value through profit or loss of \$38.42 million, proceeds from disposal of property, plant and equipment of \$0.54 million and dividend income received of \$3.72 million.

Cash outflow from financing activities of \$11.64 million was due to net repayment of bank borrowings of \$16.0 million and dividends paid to non-controlling shareholders of \$2.17 million, partially offset by withdrawal of a fixed deposit of \$6.72 million which was previously pledged for bank borrowings.

Third Quarter - 3 months ended 31 December 2011 vs. 3 months ended 31 December 2010

The Group registered a net decrease in cash and cash equivalents of \$15.44 million for the quarter ended 31 December 2011.

Net operating cash outflows from the Food and Beverage division and the Property division were \$0.58 million and \$8.00 million respectively and this was mainly due to build up of inventories and payments for construction costs in the current quarter.

Cash outflow from financing activities of \$6.20 million was mainly due to net repayment of bank borrowings of \$4.00 million and dividends paid to non-controlling shareholders of \$2.17 million.

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.**

In the next 12 months, the Group's F&B division's margins are expected to be squeezed by the competitive selling prices in the markets.

Management will continue to improve on operating efficiency and production processes to enhance the profitability of the F&B division.

For the Property division, the Group will continue to sell its remaining 44 units of development properties.

Overall, the Group's performance is expected to remain satisfactory.

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. Contingent Liability

- (a) In 2003, a legal action for an alleged breach of agreement with regard to contract packing arrangement was brought by FY Sdn Bhd (“the Plaintiff”), a company incorporated in Malaysia, against Yeo Hiap Seng (Malaysia) Berhad (“YHSM”), a subsidiary of the Group, claiming for damages of approximately \$2.6 million (RM6.2 million) with interest and cost thereon.

On 10 March 2010, the High Court of Shah Alam has vide the proceedings under Civil Suit no. MT3-22-936-2003 and granted judgement against YHSM in favour of the Plaintiff. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. Based on the advice from its legal advisors, YHSM has a strong case to appeal and a memorandum of appeal has been filed with the Court on 28 June 2010. There has been no change in status since the last quarter reporting except the Registrar of the High Court has fixed a hearing for the assessment of damages on 6 December 2011 and the Registrar of the High Court has granted the Plaintiff an extension of time until 2 April 2012 to file the relevant documents in respect of assessment of damages.

- (b) On 1 February 2010, YHSM received a formal notification from the Central Jakarta District Court informing that the Jakarta High Court has decided in favour of YHSM and its subsidiary, PT YHS Indonesia, in respect of an appeal filed by PT Kharisma Inti Persada (“the Plaintiff”) in the Jakarta High Court against YHSM and its subsidiary, PT YHS Indonesia, claiming for approximately \$32 million (Rupiah 219.9 billion) for an alleged breach of an alleged distribution agreement and an alleged distributor’s appointment. On 23 March 2010, the Plaintiff filed an appeal to the Supreme Court, and YHSM filed a counter memorandum to the court on 5 April 2010. YHSM is still awaiting for the Indonesia Supreme Court’s decision and there has been no change in status since the last quarter reporting.

No provision has been made for the above contingent liabilities in the financial period reported on.

12. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

The directors have proposed a final dividend of 1 cent per ordinary share, tax exempt (1-tier) for approval by shareholders at the forthcoming annual general meeting to be convened.

Name of dividend	Final
Dividend type	Cash; Tax exempt (1-tier) dividend
Dividend amount	S\$0.01 per ordinary share
Tax rate	Exempt (1-tier)

(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

Payment of the final dividend, if approved by the members at the Annual General Meeting to be held on 26 April 2012, will be made on 28 May 2012.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 9 May 2012 for the purposes of determining shareholders' entitlements to the proposed final dividend.

Duly completed and stamped transfers received by the Company's Share Registrar, B.A.C.S Private Limited, 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 8 May 2012 will be registered before shareholders' entitlements to the final dividend are determined.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 8 May 2012 will be entitled to the proposed final dividend.

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

Not applicable.

14. **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.**

	Consumer food and beverage products	Property development	Others	Elimination	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2011					
Revenues					
- External sales	371,452	67,855	3,693	-	443,000
- Inter-segment sales	-	-	3,898	(3,898)	-
	<u>371,452</u>	<u>67,855</u>	<u>7,591</u>	<u>(3,898)</u>	<u>443,000</u>
Profit from operation	14,692	24,840	16,194	-	55,726
Share of results of associated companies	871	-	-	-	871
Segment result	<u>15,563</u>	<u>24,840</u>	<u>16,194</u>	<u>-</u>	<u>56,597</u>
Finance expense					(197)
Profit before income tax					<u>56,400</u>
Income tax expense					(11,229)
Net profit					<u>45,171</u>
Non-controlling interests					(3,980)
Net profit attributable to equity holders of the Company					<u>41,191</u>

	Consumer food and beverage products	Property development	Others	Elimination	Group
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Year ended 31 December 2010					
Revenues					
- External sales	346,354	50,958	2,529	-	399,841
- Inter-segment sales	-	-	3,224	(3,224)	-
	<u>346,354</u>	<u>50,958</u>	<u>5,753</u>	<u>(3,224)</u>	<u>399,841</u>
Profit from operation	7,303	20,397	6,408	-	34,108
Share of results of associated companies	339	-	-	-	339
Segment result	<u>7,642</u>	<u>20,397</u>	<u>6,408</u>	<u>-</u>	<u>34,447</u>
Finance expense					(649)
Profit before income tax					<u>33,798</u>
Income tax expense					(6,902)
Net profit					<u>26,896</u>
Non-controlling interests					(56)
Net profit attributable to equity holders of the Company					<u>26,840</u>

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

15.1 Consumer Food & Beverage

The increase in revenue of \$25.10 million for consumer food and beverage products for the financial year ended 31 December 2011 was mainly due to the improved performance from Singapore and Malaysia. Gross profit improved by \$11.02 million which is in line with the increase in revenue.

15.2 Property Development

The segment recorded higher revenue of \$16.90 million which led to higher operating profit of \$24.84 million as compared to \$20.40 million in previous financial year. Included in current year's profit was a write back of \$1.99 million allowance for foreseeable losses as a result of improved property market sentiment.

15.3 Others

The segment reported an operating profit of \$16.19 million as compared to operating profit of \$6.41 million in the previous financial year due mainly to higher valuation gain from investment properties amounting to \$4.60 million, higher dividend income from available-for-sale financial assets of \$1.15 million, write-back of a loan from an associated company of \$1.16 million, higher fair value gains on financial assets, at fair value through profit or loss of \$0.82 million and higher gain of \$0.66 million from the liquidation of subsidiaries.

16. A breakdown of sales

	Group		
	Latest financial year S\$'000	Previous financial year S\$'000	%increase/ (decrease)
Sales reported for first half year	222,709	202,414	10.0%
Operating profit after tax before deducting non-controlling interests reported for first half year	22,619	9,687	133.5%
Sales reported for second half year	220,291	197,427	11.6%
Operating profit after tax before deducting non-controlling interests reported for second half year	22,552	17,209	31.0%

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

Not applicable.

18. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions.

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the prescribed format. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704 of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the company who is related to the director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
20 February 2012