YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

Unaudited Financial Statements and Dividend Announcement for the year ended 31 December 2006

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

1(a)(i) Consolidated Income Statement

	12 Months		3 Months	
	01.01.2006 to 31.12.2006	01.01.2005 to 31.12.2005 Restated*	01.10.2006 to 31.12.2006	01.10.2005 to 31.12.2005 Restated*
	S$'000	S$'000	S$'000	S$'000
Revenue	471,299	358,189	139,134	90,143
Cost of sales	(343,252)	(246,973)	(106,697)	(63,471)
Gross profit	**128,047**	**111,216**	**32,437**	**26,672**
Other gains	12,413	4,902	8,856	1,200
Expenses				
- Advertising and promotion	(28,196)	(21,981)	(8,585)	(5,935)
- Marketing	(5,131)	(2,575)	(2,021)	(732)
- Selling and distribution	(61,306)	(58,553)	(16,019)	(14,218)
- Administrative	(24,117)	(22,395)	(6,031)	(6,925)
- Other operating	(9,212)	(12,685)	(8,312)	(11,190)
- Finance	(3,943)	(2,936)	(931)	(822)
Share of profit of associated companies	423	427	272	85
Profit/(loss) before tax	**8,978**	**(4,580)**	**(334)**	**(11,865)**
Income tax expense	(3,938)	(3,469)	(1,343)	(1,999)
Total profit/(loss)	**5,040**	**(8,049)**	**(1,677)**	**(13,864)**
Attributable to:				
Equity holders of the Company	1,802	(10,233)	(2,662)	(14,491)
Minority interest	3,238	2,184	985	627
	5,040	**(8,049)**	**(1,677)**	**(13,864)**

* Restatement arose mainly from changes to accounting standard FRS 21 (Issued Jan 2006) and reclassification of revenue and selling and distribution expenses to conform with the current period presentation.

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

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

	12 Months		3 Months	
	01.01.2006 to 31.12.2006	01.01.2005 to 31.12.2005 Restated*	01.10.2006 to 31.12.2006	01.10.2005 to 31.12.2005 Restated*
	S$'000	S$'000	S$'000	S$'000
Depreciation	10,155	12,651	1,513	3,166
Impairment of property, plant and equipment	6,796	11,734	6,796	11,734
Property, plant and equipment written down	-	533	-	-
Impairment of goodwill	-	1,906	-	1,906
Impairment of trade debts, net	1,012	2,636	297	763
Write-down of inventories, net	2,708	3,660	1,481	1,571
Provision/(write-back of provision) for doubtful balances to associated companies, net (non-trade)	32	(203)	19	1
Write-back of provision for foreseeable losses from development properties	(6,441)	(754)	(6,441)	(679)
Dividend income from quoted equity investments	(530)	(571)	(232)	(200)
Net foreign exchange loss/(gain)	2,713	(66)	1,550	1
Interest income	(1,894)	(1,754)	(456)	(426)
Interest expense	3,943	2,936	931	822
Under provision of tax in respect of prior year	1,327	227	1,387	449
Profit on sale of :				
(a) Quoted equity investments	-	(1,055)	-	-
(b) Plant and equipment	(100)	(75)	(22)	27
(c) Assets held for sale	(1,939)	-	(1,167)	-

* 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 31.12.2006	**As at 31.12.2005 Restated***	**As at 31.12.2006**	**As at 31.12.2005**
	S$'000	**S$'000**	**S$'000**	**S$'000**
ASSETS				
Current assets				
Cash and cash equivalents	82,103	73,372	216	6,755
Trade receivables	116,221	75,066	-	-
Inventories	57,623	44,792	-	-
Amounts due from subsidiaries (non-trade)	-	-	19,631	32,629
Amounts due from a related company (non-trade)	38	38	38	38
Development property	160,591	230,366	-	-
Income tax recoverable	1,745	1,140	-	-
Other current assets	5,627	5,307	95	130
	423,948	**430,081**	**19,980**	**39,552**
Assets held for sale	444	4,676	-	-
	424,392	**434,757**	**19,980**	**39,552**
Non-current assets				
Available-for-sale financial assets	23,690	20,657	20,442	18,298
Investments in associated companies	4,656	5,684	-	-
Investments in subsidiaries	-	-	362,936	362,936
Investment properties	18,422	5,169	-	-
Loans to subsidiaries	-	-	71,136	77,794
Property, plant and equipment	137,492	162,940	38,823	40,073
Goodwill	5,361	5,361	-	-
Deferred income tax assets	2,257	2,531	-	-
	191,878	**202,342**	**493,337**	**499,101**
Total assets	**616,270**	**637,099**	**513,317**	**538,653**
LIABILITIES				
Current liabilities				
Trade and other payables	104,133	66,449	1,402	1,661
Amounts due to subsidiaries (non-trade)	-	-	244,634	245,411
Loan from an associated company	1,155	1,155	1,155	1,155
Current income tax liabilities	5,386	4,451	580	50
Borrowings	22,403	25,341	-	19,700
Provisions	987	1,591	40	-
	134,064	**98,987**	**247,811**	**267,977**
Non-current liabilities				
Loans from subsidiaries	-	-	50,439	61,675
Borrowings	51,010	107,018	-	-
Provisions for retirement benefits	2,646	2,475	-	-
Deferred income tax liabilities	9,259	8,971	745	700
Other non-current liabilities	1,588	1,596	-	-
	64,503	**120,060**	**51,184**	**62,375**
Total liabilities	**198,567**	**219,047**	**298,995**	**330,352**
NET ASSETS	**417,703**	**418,052**	**214,322**	**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	57,820	100,962	4,987	2,904
Retained earnings	81,809	38,906	(133)	(4,071)
	359,242	**359,481**	**214,322**	**208,301**
Minority Interest	58,461	58,571	-	-
Total equity	**417,703**	**418,052**	**214,322**	**208,301**

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

Notes

(a) 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 2006.

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. 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 Group had on 9 June 2006 through its legal counsel, made legal submissions to IRAS. 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 2006.

(b) The tax provision includes tax recoverable of $1.5 million arising from tax deducted from Singapore dividend income of $7.5 million which is imputed to the Company. The above amount of $1.5 million is recoverable by the Company provided that IRAS accepts that YHS Dunearn Pte. Ltd., have sufficient current year tax losses transferable under group relief to the Company in the financial year ended 31 December 2006.

(c) On 10 May 2006, Yeo Hiap Seng (Malaysia) Berhad (YHSM) was served with a suit filed in Jakarta, Indonesia by PT Kharisma Inti Persada, a company incorporated in Indonesia, claiming approximately Rupiah 150.7 billion (approximately S$24 million) for an alleged breach of an alleged distribution agreement. The Central Jakarta District Court has dismissed the suit in favour of YHSM without cost.

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

Amount repayable in one year or less, or on demand

As at 31.12.2006		As at 31.12.2005	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	S$'000	S$'000	S$'000
10,503	11,900	9,841	15,500

Amount repayable after one year

As at 31.12.2006		As at 31.12.2005	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	S$'000	S$'000	S$'000
51,010	-	107,018	-

Details of any collateral

Short-term bank loans of the Group totalling $10,496,000 are secured by a corporate guarantee given by the Company and a first mortgage over the leasehold property of a subsidiary. Short-term bank loans totalling $9,832,000 in the prior year is secured by a corporate guarantee given by the Company and a subsidiary. The non-current bank loans are secured by a first mortgage over the residential freehold development property of a subsidiary.

Certain property, plant and equipment were purchased under finance lease agreements. The net book value of these assets acquired amounted to $17,000 (2005: $27,000).

1(c) Consolidated Cash Flow Statement

	12 months ended		3 months ended	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Total profit/(Loss)	5,040	(8,049)	(1,677)	(13,864)
Adjustments for :				
Tax	3,938	3,469	1,343	1,999
Depreciation of property, plant and equipment	10,155	12,651	1,513	3,166
Dividend income from quoted equity investments	(530)	(571)	(232)	(200)
Property, plant and equipment written-off	77	288	48	13
Property, plant and equipment written-down	-	533	-	-
Exchange difference on consolidation	(1,650)	2,412	(6)	(1,819)
(Gain)/loss on disposal of property, plant and equipment	(100)	(75)	(22)	27
Gain on disposal of assets held for sale	(1,939)	-	(1,167)	-
Gain on disposal of quoted equity investments	-	(1,055)	-	-
Impairment of available-for-sale financial assets	(41)	-	(41)	-
Interest expense	3,943	2,936	931	822
Interest income	(1,894)	(1,754)	(456)	(426)
Provision for retirement benefits (net)	321	345	75	139
Provision for restructuring costs/terminations benefits	(604)	-	-	-
Provision of impairment in property, plant and equipment	6,796	11,734	6,796	11,734
Impairment of goodwill	-	1,906	-	1,906
Share of profit of associated companies	(423)	(427)	(272)	(85)
Operating cash flow before working capital change	23,089	24,343	6,833	3,412
Change in operating assets and liabilities				
Development property	69,775	8,786	30,246	4,391
Inventories	(12,831)	(8,681)	(9,415)	2,524
Receivables	(41,155)	(11,774)	(24,700)	2,529
Other current assets	(320)	(1,916)	637	1,426
Trade and other payables	37,282	10,372	14,848	(8,555)
Due from associated companies (net)	-	258	-	258
Cash generated from operations	75,840	21,388	18,449	5,985
Income tax paid	(1,767)	(2,499)	(1,046)	(67)
Retirement benefits paid	(119)	(186)	(15)	(91)
Net cash provided by operating activities	73,954	18,703	17,388	5,827

	12 months ended		3 months ended	
	31.12.2006	**31.12.2005**	**31.12.2006**	**31.12.2005**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Cash flows from investing activities				
Dividends received from quoted equity investments	530	571	232	200
Proceeds from sales of property, plant and equipment	307	317	133	133
Proceeds from sales of assets held for sale	6,119	-	4,449	-
Proceeds from disposal of quoted equity investments	-	3,271	-	-
Proceeds from redemption of unquoted equity investments	148	55	-	-
Dividend income received from associated company	1,219	-	618	-
Purchase of property, plant and equipment	(10,395)	(8,072)	(6,058)	(3,238)
Investment in Hain Celestrial	-	(3,552)	-	163
Purchase of unquoted investments	(16)	(16)	(4)	(4)
Net cash used in investing activities	(2,088)	(7,426)	(630)	(2,746)
Cash flows from financing activities				
Dividends paid to members of Yeo Hiap Seng Limited	-	(1,137)	-	-
Dividends paid to minority shareholders of a subsidiary	(2,478)	(2,651)	-	-
Issue of share capital	-	3,321	-	(46)
Purchase of treasury shares	(587)	(1)	(586)	-
Interest received	1,894	1,754	456	426
Interest paid	(3,293)	(2,834)	(857)	(867)
Repayment of bank loans	(75,700)	(9,270)	(16,400)	(1,700)
Proceeds from borrowing	17,035	-	17,035	-
Payment of finance lease liabilities	(6)	(86)	(1)	(57)
Net cash used in financing activities	(63,135)	(10,904)	(353)	(2,244)
Net increase in cash and cash equivalents	8,731	373	16,405	837
Cash and cash equivalents at the beginning of the financial period	73,372	72,999	65,698	72,535
Cash and cash equivalents at the end of the financial period	82,103	73,372	82,103	73,372
Represented by:				
Cash at bank and on hand	23,003	24,521	23,003	24,521
Fixed deposits with financial institutions	59,100	48,851	59,100	48,851
	82,103	73,372	82,103	73,372

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling $19,850,000 (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 year ended 31 December 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	-	-
- Prior year adjustment							(145)		(145)
- As restated	209,468	10,145	139,590	2,904	(43,164)	1,632	38,906	58,571	418,052
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**	**44,882**	**59,500**	**418,312**
Fair value loss on available-for-sale investments	-	-	-	(920)	-	-	-	-	(920)
Currency translation differences	-	-	-	-	(2,085)	-	-	(884)	(2,969)
Net loss recognised directly in equity	-	-	-	(920)	(2,085)	-	-	(884)	(3,889)
(Loss)/profit for the period	-	-	-	-	-	-	(120)	167	47
Total recognised loss for the period ended 30 June 2006	**-**	**-**	**-**	**(920)**	**(2,085)**	**-**	**(120)**	**(717)**	**(3,842)**
Dividend	-	-	-	-	-	-	-	(1,407)	(1,407)
Transfer from reserve on realisation	-	-	(2,627)	-	-	-	2,627	-	-
Balance at 30 June 2006	**209,468**	**10,145**	**131,302**	**3,567**	**(47,816)**	**1,632**	**47,389**	**57,376**	**413,063**
Fair value gain on available-for-sale investments	-	-	-	1,004	-	-	-	-	1,004
Currency translation differences	-	-	-	-	237	-	-	(187)	50
Net gain recognised directly in equity	-	-	-	1,004	237	-	-	(187)	1,054
Profit for the period	-	-	-	-	-	-	4,269	964	5,233
Total recognised gains for the period ended 30 September 2006	**-**	**-**	**-**	**1,004**	**237**	**-**	**4,269**	**777**	**6,287**
Dividend	-	-	-	-	-	-	-	(1,070)	(1,070)
Issue of share capital	-	-	-	-	-	-	-	-	-
Deemed acquisition of Minority interest	-	-	-	-	-	-	-	(1)	(1)
Transfer from reserve on realisation	-	-	(13,329)	-	-	-	13,329	-	-
Balance at 30 September 2006	**209,468**	**10,145**	**117,973**	**4,571**	**(47,579)**	**1,632**	**64,987**	**57,082**	**418,279**
Fair value gain on available-for-sale investments	-	-	-	976	-	-	-	364	1,340
Currency translation differences	-	-	-	-	(826)	-	-	488	(338)
Net gain recognised directly in equity	-	-	-	976	(826)	-	-	852	1,002
(Loss)/profit for the period	-	-	-	-	-	-	(2,662)	985	(1,677)
Total recognised gains for the period ended 31 December 2006	**-**	**-**	**-**	**976**	**(826)**	**-**	**(2,662)**	**1,837**	**(675)**
Deemed acquisition of Minority interest						142		(728)	(586)
Transfer from reserve on realisation (net of tax)	-	-	(19,069)	-	-	-	19,484	270	685
Balance at 31 December 2006	**209,468**	**10,145**	**98,904**	**5,547**	**(48,405)**	**1,774**	**81,809**	**58,461**	**417,703**

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

For the financial year ended 31 December 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**
Fair value gain on available-for-sale investments	-	-	-	1,314	-	-	-	-	1,314
Currency translation differences- restated*	-	-	-	-	3,865	-	-	1,335	5,200
Net gain recognised directly in equity	-	-	-	1,314	3,865	-	-	1,335	6,514
Profit for the period-restated*	-	-	-	-	-	-	864	124	988
Total recognised gains for the period ended 30 June 2005	**-**	**-**	**-**	**1,314**	**3,865**	**-**	**864**	**1,459**	**7,502**
Dividend	-	-	-	-	-	-	(1,137)	(1,496)	(2,633)
Transfer from reserve on realisation	-	-	(4,937)	-	-	-	4,937	-	-
Balance at 30 June 2005	**206,147**	**10,145**	**147,418**	**3,842**	**(43,449)**	**1,632**	**42,030**	**59,001**	**426,766**
Fair value gain on available-for-sale investments	-	-	-	13	-	-	-	-	13
Currency translation differences- restated*	-	-	-	-	3,005	-	-	661	3,666
Net gain recognised directly in equity	-	-	-	13	3,005	-	-	661	3,679
Profit for the period-restated*	-	-	-	-	-	-	3,539	466	4,005
Total recognised gains for the period ended 30 September 2005	**-**	**-**	**-**	**13**	**3,005**	**-**	**3,539**	**1,127**	**7,684**
Dividend	-	-	-	-	-	-	-	(1,155)	(1,155)
Issue of share capital	3,367	-	-	-	-	-	-	-	3,367
Deemed acquisition of Minority interest	-	-	-	-	-	-	-	(1)	(1)
Transfer from reserve on realisation	-	-	(3,594)	-	-	-	3,594	-	-
Balance at 30 September 2005	**209,514**	**10,145**	**143,824**	**3,855**	**(40,444)**	**1,632**	**49,163**	**58,972**	**436,661**
Fair value loss on available-for-sale investments	-	-	-	(951)	-	-	-	-	(951)
Currency translation differences-restated*	-	-	-	-	(2,720)	-	-	(1,028)	(3,748)
Net loss recognised directly in equity	-	-	-	(951)	(2,720)	-	-	(1,028)	(4,699)
Loss for the period-restated*	-	-	-	-	-	-	(14,491)	627	(13,864)
Total recognised loss for the period ended 31 December 2005	**-**	**-**	**-**	**(951)**	**(2,720)**	**-**	**(14,491)**	**(401)**	**(18,563)**
Issue of share capital	(46)	-	-	-	-	-	-	-	(46)
Transfer from reserve on realisation	-	-	(4,234)	-	-	-	4,234	-	-
Balance at 31 December 2005	**209,468**	**10,145**	**139,590**	**2,904**	**(43,164)**	**1,632**	**38,906**	**58,571**	**418,052**

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

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

For the financial period ended 31 December 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)	209,834
Fair value loss on available-for-sale investments	-	(887)	-	(887)
Net loss recognised directly in equity	-	(887)	-	(887)
Net loss for the period	-	-	(332)	(332)
Balance at 30 June 2006	209,468	3,233	(4,086)	208,615
Fair value gain on available-for-sale investments	-	963	-	963
Net gain recognised directly in equity	-	963	-	963
Net profit for the period	-	-	578	578
Balance at 30 September 2006	209,468	4,196	(3,508)	210,156
Fair value gain on available-for-sale investments	-	791	-	791
Net gain recognised directly in equity	-	791	-	791
Net profit for the period	-	-	3,375	3,375
Balance at 31 December 2006	209,468	4,987	(133)	214,322

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

For the financial period ended 31 December 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
Fair value gain on available-for-sale investments	-	-	1,314	-	1,314
Net gain recognised directly in equity	-	-	1,314	-	1,314
Net profit for the period	-	-	-	188	188
Dividend	-	-	-	(1,137)	(1,137)
Balance at 30 June 2005	206,147	-	3,842	15,079	225,068
Fair value gain on available-for-sale investments	-	-	13	-	13
Net gain recognised directly in equity	-	-	13	-	13
Net profit for the period	-	-	-	921	921
Issue of share capital	3,367	-	-	-	3,367
Balance at 30 September 2005	209,514	-	3,855	16,000	229,369
Fair value gain on available-for-sale investments	-	-	(951)	-	(951)
Net loss recognised directly in equity	-	-	(951)	-	(951)
Net loss for the period	-	-	-	(20,071)	(20,071)
Issue of share capital	(46)	-	-	-	(46)
Balance at 31 December 2005	209,468	-	2,904	(4,071)	208,301

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 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 2005 except for 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.

<u>Changes in accounting policies</u>

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 only change to the Group's and Company's accounting policies is discussed in 5.1.

5.1 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.

5.2 Effect of changes to the financial statements

Group

	Increase/(decrease) FRS 21 (Issued Jan 2006) S$'000 Note 5.2
Consolidated balance sheets items at *31 December 2006*	
Retained earnings	2,588
Foreign currency translation reserve	(2,588)
Consolidated balance sheets items at *1 January 2006*	
Retained earnings	2,501
Foreign currency translation reserve	(2,501)
Consolidated income statement items *for the period ended 31 December 2006*	
Other gains	87
Basic and diluted earnings per share (cents)	0.02

Group

	Increase/(decrease) FRS 21 (Issued Jan 2006) S$'000
Consolidated balance sheets items at 31 December 2005	
Retained earnings	2,501
Foreign currency translation reserve	(2,501)
Consolidated balance sheets items at 1 January 2005	
Retained earnings	2,779
Foreign currency translation reserve	(2,779)
Consolidated income statement items for the period ended 31 December 2005	
Other gains	(278)
Basic and diluted earnings per share (cents)	(0.05)

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	
	01.01.2006 To 31.12.2006	01.01.2005 To 31.12.2005 (Restated)	01.10.2006 To 31.12.2006	01.10.2005 To 31.12.2005 (Restated)
	Cents	Cents	Cents	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	0.32	(1.80)	(0.47)	(2.54)
(b) On a fully diluted basis	0.32	(1.80)	(0.47)	(2.54)
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	569,876	568,974	569,876	569,875
Weighted average number of ordinary shares in issue for diluted earnings per share ('000)	570,366	569,989	570,366	570,321

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	
	31.12.2006 Cents	31.12.2005 Cents	31.12.2006 Cents	31.12.2005 Cents
Net asset value per ordinary share based on issued share capital as at the end of the reporting period	63.04	63.08	37.61	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 - 12 Months ended 31 December 2006 vs. 12 Months ended 31 December 2005

Revenue and Operating Costs

The Group's revenue increased by 31.6% to $471.3 million for the current financial year ended 31 December 2006 from $358.19 million in the previous financial year. Food and beverage sales increased by $46.98 million or 14.7%, while revenue from development property increased by $66.18 million or 172.4%.

Profit attributable to equity holders of the Company was S$1.8 million in 2006, compared with the S$10.23 million losses reported in 2005. The improvement was mainly due to:

- Higher gross profit of $16.83 million, of which $15.19 million was due to higher food and beverage revenue, especially from its Singapore and Malaysia operations and $3.31 million was from the property division, partially offset by lower royalty income from China subsidiaries;

- Increase in other operating income of $7.51 million, which was mainly due to $1.94 million gain from the disposal of assets held for sale by a subsidiary in Malaysia, and reversal of provision of $6.44 million for foreseeable losses for development properties due to increase in value of properties in 2006;

- Decrease in other operating expense of $3.47 million due mainly to the lower impairment of Group's fixed assets by $4.93 million ($6.8 million in 2006 vs. $11.73 million in 2005), partially offset by the higher exchange losses of $2.78 million as a result of weakening of the US dollar against the Singapore and Canadian dollars in 2006;

The increase was partially offset by the following:

- Higher marketing, advertising and promotion expenses of $8.77 million due mainly to higher level of promotion activities carried out in Malaysia and USA, and higher marketing expenses to boost property sales;

- Higher selling and distribution costs of $2.75 million which was generally in line with higher sales revenue and partially offset by lower provision for doubtful debts in 2006;

- Higher administrative expenses of $1.72 million due mainly to higher provisions for professional fees and recognition of administrative expenses incurred in the property division in the income statement as a result of full TOP of Gardenvista project in 2006;

- Higher interest expenses of $1.01 million due mainly to the increase of prevailing interest rate in Singapore in 2006;

- Increase in minority interest of $1.05 million due to higher profit earned by the subsidiary in Malaysia.

8(b) Fourth Quarter Results- 3 Months ended 31 December 2006 vs. 3 Months ended 31 December 2005

Revenue and Operating Costs

The Group recorded revenue of $139.13 million in 4Q2006, which was 54.3% higher than that achieved in 4Q2005 of $90.14 million. The increase was due to improved food and beverage sales largely by the Group's Malaysian subsidiary and higher development property sales.

The Group reported a net loss of $2.66 million in 4Q2006, compared with a net loss of $14.49 million in 4Q2005. The improvement was mainly due to:

- Higher gross profit of $5.77 million attributable to higher sales;
- Lower administrative expense of $0.89 million due mainly to the absence of goodwill impairment in 2005, partially offset by increased administrative expenses in property division as a result of full TOP of Gardenvista project;
- Lower provision for the impairment of Group's fixed assets by $4.93 million from $11.73 million in 4Q05 to $6.8 million in 4Q06;
- Reversal of provision for foreseeable losses for property development projects totalling $6.44 million;
- Profit on sale of assets held for sale of $1.17 million by the subsidiary in Malaysia;

The increase was partially offset by the following:

- Higher advertising, promotion and marketing expenses of $3.94 million in the current quarter due mainly to higher level of promotion activities carried out in Malaysia and increased marketing expense to boost development property sales;
- Higher selling and distribution expenses of $1.8 million is generally in line with higher sales revenue and increased fuel prices, partially offset by lower provision for doubtful debts in the current quarter;
- Higher net exchange loss of $1.55 million due mainly to the weakening of the US dollar against the Singapore dollar; and
- Increase in minority interest of $0.36 million due to higher profit earned by the subsidiary in Malaysia.

8(c) Balance Sheet

Group

Trade receivables for the Group increased by $41.15 million or 54.8%, from $75.07 million as at 31 December 2005 to $116.22 million as at 31 December 2006. The increase was largely in line with improved food and beverage sales and higher property sales.

Inventories balance increased by $12.83 million to $57.62 million as at 31 December 2006, as compared to $44.79 million as at 31 December 2005. The increase was contributed by higher stock piling for the Chinese New Year festive season in February 2007 and increased market demand in Malaysia and Singapore.

Development property balance decreased by $69.78 million to $160.59 million as at 31 December 2006, from $230.37 million as at 31 December 2005. This was due to the full recognition of revenue and cost of sales of sold units as the Gardenvista project had obtained full TOP during the year.

Assets held for sale decreased by 90.5% or $4.24 million from $4.68 million at end of 2005 to $0.44 million at end 2006 due mainly to the disposal of assets held for sale during the year.

Property, plant and equipment decreased by 15.62% or $25.45 million from $162.94 million at end 2005 to $137.49 million at end 2006. This was largely due to the reclassification of certain properties totalling $13 million to investment properties and $6.8 million impairment in value of certain assets.

Trade and other payables increased by 56.71% or $37.68 million as at 31 December 2006. This was due mainly to increased production volumes and build up of inventory levels to meet increased demand and corresponding increase in accruals of sales rebates as well as advertising and promotion expenses. In addition, $9.3 million accrual for development property costs were made as a result of obtaining full TOP for Gardenvista project also contributed to the increase in other payables.

Borrowings decreased by $58.95 million to $73.41 million as at 31 December 2006, from $132.36 million as at 31 December 2005 as a result of repayment of $52 million property term loan and $6.95 million short term bank loan during the year.

Company

The Company's cash & cash equivalents has decreased by $6.54 million to $0.22 million as at 31 December 2006 from $6.76 million as at 31 December 2005. This is largely due to the repayment of long term borrowings of $19.7 million which is partially negated by the repayment of advances from a subsidiary.

Amount due from subsidiaries decreased by $13 million from $32.63 million as at 31 December 2005 to $19.63 million as at 31 December 2006 due mainly to the repayment of $11.51 million advance from a subsidiary in Singapore. This is partially set off by payment to other subsidiaries for amounts due to them resulting in a net decrease in assets of $5.58 million.

Loans to subsidiaries recorded a decrease of $6.65 million from $77.79 million as at 31 December 2005 to $71.14 million as at 31 December 2006 due mainly to unrealised exchanges losses of $2.97million from the Company's Hong Kong dollar loans as a result of the weakening of the Hong Kong dollar against Singapore dollar. Provision for doubtful debts of $3.51 million made during the year also contributed to the decrease of loans to subsidiaries.

Loan from subsidiaries has also decreased by $11.24 million from $61.68 million as at 31 December 2005 to $50.44 million as at 31 December 2006. The decrease was due mainly to unrealised exchange gains from the Company's Hong Kong dollar loan and reclassification of $6.64 million non-current loan from subsidiaries to current amount due to subsidiaries.

Property, plant and equipment reduced by $1.25 million from $40.07 million as at 31 December 2005 to $38.82 million as at 31 December 2006 due mainly to $0.42 million impairment made for Company's leasehold building and $0.84 million depreciation charge during the year.

Bank borrowing of $19.7 million as at 31 December 2005 was fully settled during the year.

8 (d) Cash Flow Statement

Year to Date – 12 Months ended 31 December 2006

The Group reported a net increase in cash flow by $8.73 million for the 12 months ended 31 December 2006, as compared to a net increase in cash of $0.37 million for the financial year ended 31 December 2005.

Operating activities generated cash inflow of $73.95 million of which $69.78million is contributed from property division. This was negated by net cash outflow from investing and financing activities amounting to $65.22 million.

Cash outflow from investing activities was due to purchase of property, plant & equipment worth $10.4 million, offset by proceeds from disposal of assets held for sale of $6.12 million and dividend received from associated company of $1.22 million.

Cash outflow from financing activities was related to dividends that were paid to minority shareholders of a subsidiary amounting to $2.48 million, net interest paid of $1.4 million, net bank loans repaid of $58.67 million and purchase of treasury shares of $0.59 million.

Fourth Quarter – 3 Months ended 31 December 2006

The Group registered a net increase in cash of $16.41 million for the fourth quarter ended 31 December 2006. The net increase was contributed by net cash inflow of $17.39 million generated from operating activities and proceeds from disposal of assets held for sale of $4.45 million, which was largely negated by the purchase of machinery and equipment of $6.06 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.

The Group will continue to grow its sales revenue by expanding into new geographic territories as well as enlarging its portfolio of products. The Group expects its year 2007 earnings for the Food and Beverages division to remain satisfactory in spite of expected increase in raw material costs.

For the Property division, the Group will continue to drive sales on its existing developments and will target to launch its new development property known as Jardin in 2007.

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 Liabilities

(a) As of 31 December 2006, YHSM's subsidiaries have credit and loan facilities amounting to S$86,950 (2005: S$969,100) obtained from financial institutions, which are guaranteed by YHSM. Accordingly, YHSM is contingently liable to the extent of the amount of the credit and loan facilities utilised by its subsidiaries. None of the credit and loan facilities are secured against the assets of YHSM or of the Group.

(b) In 2004, a legal action was initiated against YHSM for an alleged infringement of copyright. The plaintiff has sought general damages, which the plaintiff has not quantified/disclosed but will be assessed by the Court. YHSM is contesting the claim, and based on advice received from its legal advisors, the Directors of YHSM are of the opinion that YHSM has reasonable prospect of success. YHSM has filed for a counter claim against the plaintiff. Accordingly, no provision for loss has been made in the financial statements. The case is pending court hearing.

12. 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.

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

No dividend is recommended for the financial period reported on.

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 2006					
Revenues					
- External sales	366,231	104,564	504	-	471,299
- Inter-segment sales	-	-	3,163	(3,163)	-
	366,231	104,564	3,667	(3,163)	471,299
Operating profit	5,976	5,641	881	-	12,498
Share of results of associated companies	423	-	-	-	423
Segment result	6,399	5,641	881	-	12,921
Financial expenses					(3,943)
Profit before tax					8,978
Tax					(3,938)
Profit after tax					5,040
Minority interest					(3,238)
Net profit attributable to members of the Company					**1,802**

	Consumer food and beverage products	Property development	Others	Elimination	Group
	S$'000	S$'000	S$'000	S$'000	S$'000
Year ended 31 December 2005 (Restated)					
Revenues					
- External sales	319,255	38,389	545	-	358,189
- Inter-segment sales	-	-	4,452	(4,452)	-
	319,255	38,389	4,997	(4,452)	358,189
Operating profit/(loss)	(6,792)	317	4,404	-	(2,071)
Share of results of associated companies	427	-	-	-	427
Segment result	(6,365)	317	4,404	-	(1,644)
Financial expenses					(2,936)
Loss before tax					(4,580)
Tax					(3,469)
Loss after tax					(8,049)
Minority interest					(2,184)
Net loss attributable to members of the Company					**(10,233)**

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 $46.98 million for consumer food and beverage products for the financial year ended 31 December 2006 was due mainly to improved food and beverage sales by the Group's Malaysian and Singapore subsidiaries.

The improved revenue has resulted in a corresponding increase in operating profit. In the previous year, a provision of $13.64 million for the impairment of China's assets and goodwill was made which resulted in an operating loss of $6.79 million.

15.2 Property Development

Revenue for property development increased by $66.18 million, due to increased revenue recognition as the Gardenvista project obtained full TOP during the financial year. The segment recorded a higher operating profit of $5.32 million as compared to $0.32 million in previous financial year, due mainly to the reversal of provision of $6.44 million for foreseeable losses made in the previous financial year as a result of increase in property value.

15.3 Others

The segment reported a lower operating profit of $3.52 million in the current financial year due mainly to the absence of profit on disposal of long-term quoted investments of $1.06 million and impairment of leasehold building of $0.42 million made during the financial year.

16. A breakdown of sales

	Group		
	Latest financial year S$'000	**Previous financial year S$'000**	**% increase/ (decrease)**
Sales reported for first half year-restated*	199,153	174,147	14.4%
Operating profit after tax before deducting minority interests reported for first half year-restated *	1,484	1,810	-18.0%
Sales reported for second half year-restated*	272,146	184,042	47.9%
Operating profit/(loss) after tax before deducting minority interests reported for second half year-restated *	3,556	(9,859)	NM

* Restatement arose mainly from changes to accounting standard FRS 21 (Issued Jan 2006) and reclassification of revenue and selling and distribution expenses to conform with the current year presentation.

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.

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
28 February 2007