

YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

Unaudited Financial Statements and Dividend Announcement for the Period ended 30 June 2007

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

1(a)(i) Consolidated Income Statement

	Half Year		3 Months	
	01.01.2007 to 30.06.2007	01.01.2006 to 30.06.2006 Restated*	01.04.2007 to 30.06.2007	01.04.2006 to 30.06.2006 Restated*
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	233,410	194,709	119,245	91,375
Cost of sales	(164,996)	(137,051)	(84,586)	(62,733)
Gross profit	68,414	57,658	34,659	28,642
Other gains	3,846	1,929	1,908	947
Expenses				
- Advertising and promotion	(14,975)	(11,421)	(7,117)	(5,865)
- Marketing	(2,062)	(1,658)	(1,139)	(879)
- Selling and distribution	(32,690)	(28,795)	(15,897)	(14,396)
- Administrative	(12,665)	(12,066)	(7,136)	(6,771)
- Other operating	(514)	(920)	63	(374)
- Finance	(1,832)	(1,901)	(891)	(974)
Share of profit/(loss) of associated companies	1,263	68	215	(32)
Profit before tax	8,785	2,894	4,665	298
Income tax expense	(1,025)	(1,410)	(1,568)	(251)
Total profit	7,760	1,484	3,097	47
Attributable to:				
Equity holders of the Company	7,734	195	3,871	(120)
Minority interest	26	1,289	(774)	167
	7,760	1,484	3,097	47

* Restatement arose mainly from 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:

	6 Months		3 Months	
	01.01.2007 to 30.06.2007	01.01.2006 to 30.06.2006	01.04.2007 to 30.06.2007	01.04.2006 to 30.06.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation	5,002	5,919	2,512	3,006
Impairment of trade debts, net	142	260	143	46
Write-down of inventories, net	946	1,127	779	506
Provision for doubtful balances to associated companies, net (non-trade)	3	12	2	11
Write-back of provision for foreseeable losses from development properties	(1,791)	-	(828)	-
Dividend income from quoted equity investments	(380)	(235)	(341)	(137)
Net foreign exchange loss/(profit)	500	1,048	(71)	603
Interest income	(939)	(938)	(457)	(479)
Interest expense	1,832	1,901	891	974
Over provision of tax in respect of prior year	(871)	(18)	(186)	(18)
Profit on sale of :				
(a) Plant and equipment	(22)	(78)	-	(1)
(b) Assets held for sale	-	(94)	-	-

1(b) Balance Sheets

	Group		Company	
	As at 30.06.2007	As at 31.12.2006	As at 30.06.2007	As at 31.12.2006
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	125,026	82,103	568	216
Trade receivables	106,613	116,221	-	-
Inventories	44,984	57,623	-	-
Amounts due from subsidiaries (non-trade)	-	-	22,376	19,631
Amounts due from a related company (non-trade)	38	38	38	38
Development properties	127,461	160,591	-	-
Income tax recoverable	1,771	1,745	-	-
Other current assets	8,064	5,627	89	95
	413,957	423,948	23,071	19,980
Assets held for sale	454	444	-	-
	414,411	424,392	23,071	19,980
Non-current assets				
Available-for-sale financial assets	42,573	23,690	30,304	20,442
Investments in associated companies	5,084	4,656	-	-
Investments in subsidiaries	-	-	362,936	362,936
Investment properties	42,015	18,422	34,000	-
Loans to subsidiaries	-	-	63,202	71,136
Property, plant and equipment	131,629	137,492	12	38,823
Goodwill	5,361	5,361	-	-
Deferred income tax assets	2,058	2,257	-	-
	228,720	191,878	490,454	493,337
Total assets	643,131	616,270	513,525	513,317
LIABILITIES				
Current liabilities				
Trade and other payables	89,850	104,133	2,014	1,402
Amounts due to subsidiaries (non-trade)	-	-	246,118	244,634
Loan from an associated company	1,155	1,155	1,155	1,155
Current income tax liabilities	7,015	5,386	91	580
Borrowings	23,965	22,403	-	-
Provisions	977	987	30	40
	122,962	134,064	249,408	247,811
Non-current liabilities				
Loans from subsidiaries	-	-	50,081	50,439
Borrowings	51,007	51,010	-	-
Provisions for retirement benefits	2,788	2,646	-	-
Deferred income tax liabilities	10,576	9,259	745	745
Other non-current liabilities	1,221	1,588	-	-
	65,592	64,503	50,826	51,184
Total liabilities	188,554	198,567	300,234	298,995
NET ASSETS	454,577	417,703	213,291	214,322
EQUITY				
Capital and reserves attributable to Company's equity holders				
Share capital	218,568	209,468	218,568	209,468
Capital reserve	10,145	10,145	-	-
Revaluation and other reserves	52,620	57,820	7,203	4,987
Retained earnings/(accumulated losses)	114,331	81,809	(12,480)	(133)
	395,664	359,242	213,291	214,322
Minority Interest	58,913	58,461	-	-
Total equity	454,577	417,703	213,291	214,322

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.

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 had 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.

In view of the above, and 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 period ended 30 June 2007.

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

Amount repayable in one year or less, or on demand

As at 30.06.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
10,565	13,400	10,503	11,900

Amount repayable after one year

As at 30.06.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
51,007	-	51,010	-

Details of any collateral

Short-term bank loans of the Group totalling \$10,558,000 (2006: \$10,496,000) are secured by a corporate guarantee given by the Company and a first mortgage over the leasehold property of 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 \$14,000 (2006: \$26,000).

1(c) Consolidated Cash Flow Statement

	6 months ended		3 months ended	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total profit	7,760	1,484	3,097	47
Adjustments for :				
Tax	1,025	1,410	1,568	251
Depreciation of property, plant and equipment	5,002	5,919	2,512	3,006
Dividend income from quoted equity investments	(380)	(235)	(341)	(137)
Property, plant and equipment written-off	11	-	7	(2)
Exchange difference on consolidation	1,973	(1,710)	1,524	(815)
Gain on disposal of plant and equipment	(22)	(78)	-	(1)
Gain on disposal of assets held for sale	-	(94)	-	-
Interest expense	1,832	1,901	891	974
Interest income	(939)	(938)	(457)	(479)
Provision for retirement benefits (net)	163	168	79	74
Provision for restructuring costs/terminations benefits	-	(344)	-	(344)
Share of (profit)/loss of associated companies	(1,263)	(68)	(215)	32
Operating cash flow before working capital change	15,162	7,415	8,665	2,606
Change in operating assets and liabilities				
Development property	33,130	10,340	17,579	1,371
Inventories	12,639	1,739	5,132	(5,063)
Receivables	9,608	(9,750)	11,656	(6,286)
Other current assets	(2,341)	(142)	(3,159)	(41)
Trade and other payables	(16,237)	5,078	(2,658)	9,149
Due from associated companies (net)	-	-	-	10
Cash generated from operations	51,961	14,680	37,215	1,746
Income tax refund	(242)	(985)	(278)	(522)
Restructuring costs paid	(10)	-	-	-
Retirement benefits paid	(81)	(61)	(23)	(42)
Net cash provided by operating activities	51,628	13,634	36,914	1,182

	6 months ended		3 months ended	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Dividends received from quoted equity investments	380	235	341	137
Proceeds from sales of plant and equipment	99	152	1	14
Proceeds from sales of assets held for sale	-	735	-	(11)
Proceeds from redemption of unquoted equity investments	-	148	-	-
Dividend income received from associated company	931	483	931	238
Purchase of property, plant and equipment	(2,339)	(2,871)	(1,548)	(1,343)
Purchase of quoted equity investments	(17,496)	-	(14,551)	-
Purchase of unquoted investments	(8)	(8)	(4)	(4)
Net cash used in investing activities	(18,433)	(1,126)	(14,830)	(969)
Cash flows from financing activities				
Dividends paid to minority shareholders of a subsidiary	-	(1,407)	-	(1,407)
Issue of share capital	9,100	-	9,100	-
Purchase of treasury shares	(216)	-	-	-
Interest received	939	938	457	479
Interest paid	(1,592)	(1,302)	(785)	(415)
Repayment of bank loans	(7,000)	(14,000)	(7,000)	(10,000)
Proceeds from bank borrowings	8,500	-	2,000	-
Payment of finance lease liabilities	(3)	(4)	(1)	(2)
Net cash provided/(used) in financing activities	9,728	(15,775)	3,771	(11,345)
Net increase/(decrease) in cash and cash equivalents	42,923	(3,267)	25,855	(11,132)
Cash and cash equivalents at the beginning of the financial period	82,103	73,372	99,171	81,237
Cash and cash equivalents at the end of the financial period	125,026	70,105	125,026	70,105
Represented by:				
Cash at bank and on hand	20,587	16,218	20,587	16,218
Fixed deposits with financial institutions	104,439	53,887	104,439	53,887
	125,026	70,105	125,026	70,105

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling \$66,564,000 (2006: \$2,582,000) 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 30 June 2007

	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 2007	209,468	10,145	98,904	5,547	(48,405)	1,774	81,809	58,461	417,703
Effect of changes in accounting policies (Adjusted prospectively*)	-	-	(3,412)	-	-	-	9,657	1,307	7,552
Fair value loss on available-for-sale investments	-	-	-	(188)	-	-	-	(36)	(224)
Revaluation gain on property, plant and equipment	-	-	8,421	-	-	-	-	-	8,421
Currency translation differences	-	-	-	-	965	-	-	643	1,608
Net gain recognised directly in equity	-	-	5,009	(188)	965	-	9,657	1,914	17,357
Profit for the period	-	-	-	-	-	-	3,863	800	4,663
Total recognised gains/(loss) for the period ended 31 March 2007	-	-	5,009	(188)	965	-	13,520	2,714	22,020
Effect of treasury shares in a subsidiary acquired from minority interest	-	-	-	-	-	(52)	-	(164)	(216)
Transfer from reserve on realisation	-	-	(7,315)	-	-	-	7,315	-	-
Balance at 31 March 2007	209,468	10,145	96,598	5,359	(47,440)	1,722	102,644	61,011	439,507
Fair value gain/(loss) on available-for-sale investments	-	-	-	1,851	-	-	-	(320)	1,531
Currency translation differences	-	-	-	-	2,346	-	-	710	3,056
Net gain recognised directly in equity	-	-	-	1,851	2,346	-	-	390	4,587
Profit for the period	-	-	-	-	-	-	3,871	(774)	3,097
Total recognised gains for the period ended 30 June 2007	-	-	-	1,851	2,346	-	3,871	(384)	7,684
Issue of share capital	9,100	-	-	-	-	-	-	-	9,100
Dividend	-	-	-	-	-	-	-	(1,714)	(1,714)
Transfer from reserve on realisation	-	-	(7,816)	-	-	-	7,816	-	-
Balance at 30 June 2007	218,568	10,145	88,782	7,210	(45,094)	1,722	114,331	58,913	454,577

* Please refer to Note 5. Restatement arose from adoption of accounting standard FRS 40

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

For the financial period ended 30 June 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	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 (Loss)/profit for the period	-	-	-	(920)	(2,085)	-	-	(884)	(3,889)
Total recognised loss for the period ended 30 June 2006	-	-	-	(920)	(2,085)	-	(120)	167	47
Dividend	-	-	-	-	-	-	(120)	(717)	(3,842)
Transfer from reserve on realisation	-	-	(2,627)	-	-	-	-	(1,407)	(1,407)
Balance at 30 June 2006	209,468	10,145	131,302	3,567	(47,816)	1,632	47,389	57,376	413,063

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

For the financial period ended 30 June 2007

	Share capital	Fair value reserve	Accumulated losses	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2007	209,468	4,987	(133)	214,322
Effect of changes in accounting policies (Adjusted prospectively*)	-	-	(4,810)	(4,810)
Fair value loss on available-for-sale investments	-	(131)	-	(131)
Net loss recognised directly in equity		(131)	(4,810)	(4,941)
Net profit for the period	-	-	550	550
Balance at 31 March 2007	209,468	4,856	(4,393)	209,931
Fair value gain on available-for-sale investments	-	2,347	-	2,347
Net loss recognised directly in equity	-	2,347	-	2,347
Net loss for the period	-	-	(8,087)	(8,087)
Issue of share capital	9,100	-	-	9,100
Balance at 30 June 2007	218,568	7,203	(12,480)	213,291

* Please refer to Note 5. Restatement arose from adoption of accounting standard FRS 40

For the financial period ended 30 June 2006

	Share capital	Fair value reserve	Accumulated losses	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

- 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.**

The Company issued to Hain Celestial Group, Inc 4,044,800 new ordinary shares of S\$2.25 each in the Company for a consideration of US\$6,000,000 pursuant to the Subscription Agreement dated 3 August 2005, as varied by a First Variation Agreement dated 15 December 2005 and a second Variation Agreement dated 22 April 2007.

- 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 2006 except for the adoption of new 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

Previously, investment properties held for long-term rental yields and capital appreciation and are not occupied by the Group are stated at cost less any accumulated depreciation up to the date of transfer from property, plant and equipment, and impairment losses. They are not subject to depreciation.

With effect from 1 January 2007, the Group adopted the fair value model under FRS 40 Investment Property. Fair value is assessed at each reporting date. Gain or loss arising from changes in the fair values of investment properties are recognised in the income statement in which they arise.

The Group and the Company adopted the Financial Reporting Standard FRS 40 where changes in accounting policy are applied prospectively. Comparatives have not been restated. The effect of change in Group's and Company's accounting policies is described in Note 5.1.

5.1 Effect of changes to the financial statements

Group

	Increase/(decrease)
	FRS 40 S\$'000
<i>Consolidated balance sheets items at 01 January 2007</i>	
Investment properties	6,713
Deferred income tax liability	(822)
Property revaluation reserves	(3,412)
Retaining earnings	9,657
Minority interests	1,307

Company

	Increase/(decrease)
	FRS 40 S\$'000
<i>Balance sheets items at 01 January 2007</i>	
Investment properties	34,000
Property plant and equipment	(38,810)
Retaining earnings	(4,810)

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	
	6 months		3 months	
	01.01.2007 To 30.06.2007	01.01.2006 To 30.06.2006	01.04.2007 To 30.06.2007	01.04.2006 To 30.06.2006
	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	1.36	0.03	0.68	(0.02)
(b) On a fully diluted basis	1.35	0.03	0.67	(0.02)
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	570,568	569,876	571,254	569,876
Weighted average number of ordinary shares in issue for diluted earnings per share ('000)	574,166	570,366	577,120	570,366

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	
	30.06.2007	31.12.2006	30.06.2007	31.12.2006
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the reporting period	68.94	63.04	37.16	37.61

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 - 6 Months ended 30 June 2007 vs. 6 Months ended 30 June 2006

Revenue and Operating Costs

The Group recorded revenue of \$233.41 million in 1H2007, which was 19.9% higher than that achieved in 1H2006 of \$194.71 million. Food and beverage sales increased by \$16.69 million or 9.7%, while revenue from development property increased by \$21.87 million or 98.6%.

Profit attributable to equity holders of the Company was increased from \$0.2 million in 1H2006 to \$7.73 million in 1H2007. The improvement was mainly due to:

- Higher gross profit of \$10.75 million generally in line with higher sales;
- Higher other gains of \$1.92 million due mainly to the write back of provision of \$1.79 million for foreseeable losses for development properties sold during the period;
- Higher share of profit of \$1.2 million from associated companies attributable mainly to the profit earned on sale of land and building by an associated company in Malaysia;
- Lower provision of income tax of \$0.39 million due mainly to \$0.87 million adjustment for over provision of prior years tax in Malaysia and YHS Limited, partially offset by increase of \$0.47 million current year tax provision;

The increase was partially offset by the following:

- Higher advertising and promotion expenses of \$3.55 million due mainly to higher level of promotion activities carried out in Malaysia;
- Higher selling and distribution costs of \$3.9 million which was generally in line with higher sales revenue and increased fuel price, partially offset by lower provision for doubtful debts during the period.

8(b) Second Quarter Results - 3 Months ended 30 June 2007 vs. 3 Months ended 30 June 2006

The Group recorded revenue of \$119.25 million in 2Q2007, which was 30.5% higher than that achieved in 2Q2006 of \$91.38 million. The increase was due to improved food and beverage sales largely by the Group's Singapore and Malaysian subsidiaries and higher development property sales.

Profit attributable to equity holders of the Company in 2Q2007 was \$3.87 million, compared with a net loss of \$0.12 million in 2Q2006. The improvement was mainly due to:

- Higher gross profit of \$6.02 million attributable to higher sales;
- Lower exchange loss of \$0.67 million arising from revaluation of trade receivables as a result of the strengthening of US dollar against the Singapore dollar and Canadian dollars against US dollar in 2Q2007;

- Reversal of provision for foreseeable losses for property development projects totalling \$0.83 million;

The increase was partially offset by the following:

- Higher advertising and promotion expenses of \$1.25 million in the current quarter due mainly to higher level of promotion activities carried out in Malaysia;
- Higher selling and distribution expenses of \$1.5 million which is generally in line with higher sales revenue and increased fuel prices;
- Higher provision of income tax of \$1.32 million due mainly to increase of \$2 million current year tax provision for profit earned by the property division, partially offset by \$0.76 million lower tax provision in Malaysia.

8(c) Balance Sheet - 30 June 2007 vs. 31 December 2006

Group

Trade receivables for the Group decreased by \$9.61 million from \$116.22 million as at 31 December 2006 to \$106.61 million as at 30 June 2007. The decrease was mainly due to the full collection of Gardenvista sales proceeds as the project had obtained Certificate of Statutory Completion during the period.

Inventories were reduced to \$44.98 million at 30 June 2007 as compared to \$57.62 million at 31 December 2006 due mainly to the stock piling in December 2006 for the Chinese New Year festive season.

Development property balance decreased by \$33.13 million from \$160.59 million as at 31 December 2006 to \$127.46 million as at 30 June 2007, due to additional sale of development properties during the period.

Available-for-sale financial assets increased by \$18.88 million from \$23.69 million as at 31 December 2006 to \$42.57 million as at 30 June 2007, due to \$17.5 million additional investment in the common stock of Youcan Foods International Limited and Hain Celestial group, Inc. by the Company and \$1.31 million gain on revaluation of quoted investments at their fair value.

Property, plant and equipment decreased by \$5.86 million from \$137.49 million as at 31 December 2006 to \$131.63 million as at 30 June 2007, largely due to the reclassification of certain properties totalling \$8.13 million to investment properties, partially offset by revaluation surplus of \$2.65 million on revaluation of certain assets.

Investment properties increased by \$23.6 million from \$18.42 million as at 31 December 2006 to \$42.02 million as at 30 June 2007, due mainly to \$15.6 million gain on revaluation of investment properties at their fair value and reclassification of certain properties totalling \$8.13 million from property, plant and equipment as a result of adoption of FRS 40 in 2007.

Trade and other payables decreased by \$14.28 million from \$104.13 million as at 31 December 2006 to \$89.85 million as at 30 June 2007. The decrease was in line with lower purchase during the period, and lower accruals of sales rebates and freight charges. In addition, the decrease in accrual of development property costs also contributed to the decrease in other payables.

Company

Available-for-sale financial assets increased by \$9.86 million from \$20.44 million as at 31 December 2006 to \$30.3 million as at 30 June 2007, due to \$7.63 million additional investment in the common stock of Youcan Foods International Limited and Hain Celestial Group, Inc. by the Company and \$2.22 million gain on revaluation of quoted investments at their fair value.

Property, plant and equipment decreased by \$38.81 million from \$38.82 million as at 31 December 2006 to \$0.01 million as at 30 June 2007, due mainly to the impairment of \$4.81 million on revaluation of leasehold building at its fair value and reclassification of leasehold building of \$34 million to investment properties in accordance with FRS 40 Investment Property.

Net amount due to subsidiaries decreased by \$1.26 million from \$225 million as at 31 December 2006 to \$223.74 million as at 30 June 2007, due mainly to the net advancement of \$1.33 million to subsidiaries in Singapore.

Net loans to subsidiaries decreased by \$7.58 million from \$20.7 million as at 31 December 2006 to \$13.12 million as at 30 June 2007 due mainly to the additional provision for doubtful debts of \$7.7 million made during the period.

Share capital increased from \$209.47 million as at 31 December 2006 to \$218.57 million as at 30 June 2007 due to the issue of 4.04 million new ordinary shares to Hain Celestial Group, Inc amounting to \$9.1 million.

8(c) Cash Flow Statement

Year to Date - 6 months ended 30 June 2007

The Group reported a net increase in cash of \$42.92 million for 1H2007, as compared to a net decrease in cash of \$3.27 million for 1H2006.

The net increase in cash was contributed by \$9.73 from financial activities and \$51.63 million from operating activities of which \$40 million is contributed from property division, negated by the net cash outflow from investing activities amounting to \$18.43 million.

Cash outflow from investing activities of \$18.43 million was due to purchase of property, plant & equipment worth \$2.34 million and investment in quoted equity investments of \$17.5 million, partially offset by the dividend received from quoted investment and associated company.

Cash inflow from financing activities of \$9.73 million was due to issue of share capital of \$9.1 million and net bank borrowing of \$1.5 million, offset by purchase of treasury shares of \$0.22 million and net interest paid of \$0.65 million.

Second Quarter – 3 Months ended 30 June 2007

The Group registered a net increase in cash of \$25.86 million for the second quarter ended 30 June 2007. The net increase was mainly contributed by net cash inflow of \$36.91 million generated from operating activities and issue of share capital of \$9.1 million, which was largely negated by the purchase of quoted investment of \$14.55 million and net repayment of bank loan of \$5 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 revenue by expanding into new geographic territories as well as enlarging its portfolio of products.

For the Property division, the Group expects to continue to benefit from the current property market sentiments and will continue to drive sales of its existing developments and will target to launch its new development property known as Jardin in 2H2007.

Barring any significant change in operating conditions, the Group expects its year 2007 earnings 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. 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 August 2007

STATEMENT PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

The directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the period ended 30 June 2007 to be false or misleading in any material respect.

On behalf of the Directors



TJONG YIK MIN
Director

10 August 2007



OW TIN NYAP
Director