

YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

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

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

1(a)(i) Consolidated Income Statement

	9 Months		3 Months	
	01.01.2007 to 30.09.2007	01.01.2006 to 30.09.2006	01.07.2007 to 30.09.2007	01.07.2006 to 30.09.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	341,011	332,165	107,601	137,456
Cost of sales	(239,550)	(236,555)	(74,554)	(99,504)
Gross profit	101,461	95,610	33,047	37,952
Other gains	6,279	3,557	2,433	1,628
Expenses				
- Advertising and promotion	(23,991)	(19,611)	(9,016)	(8,190)
- Marketing	(2,720)	(3,110)	(658)	(1,452)
- Selling and distribution	(50,445)	(45,287)	(17,755)	(16,492)
- Administrative	(19,022)	(18,086)	(6,357)	(6,020)
- Other operating	(1,227)	(900)	(713)	20
- Finance	(2,792)	(3,012)	(960)	(1,111)
Share of profit of associated companies	1,328	151	65	83
Profit before tax	8,871	9,312	86	6,418
Income tax (expense)/credit	(671)	(2,595)	354	(1,185)
Total profit	8,200	6,717	440	5,233
Attributable to:				
Equity holders of the Company	9,548	4,464	1,814	4,269
Minority interest	(1,348)	2,253	(1,374)	964
	8,200	6,717	440	5,233

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

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

	9 Months		3 Months	
	01.01.2007 to 30.09.2007	01.01.2006 to 30.09.2006	01.07.2007 to 30.09.2007	01.07.2006 to 30.09.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Depreciation	7,527	8,642	2,525	2,723
Impairment of trade debts, net	145	715	3	455
Write-down of inventories, net	1,632	1,227	686	100
Provision for doubtful balances to associated companies, net (non-trade)	4	13	1	1
Write-back of provision for foreseeable losses from development properties	(2,712)	-	(921)	-
Dividend income from quoted equity investments	(406)	(298)	(26)	(63)
Net foreign exchange loss	1,195	1,163	695	115
Interest income	(1,440)	(1,438)	(501)	(500)
Interest expense	2,792	3,012	960	1,111
(Over)/under provision of tax in respect of prior year	(865)	(60)	6	(42)
(Profit)/loss on sale of :				
(a) Plant and equipment	(273)	(78)	(251)	-
(b) Assets held for sale	9	(772)	9	(678)

1(b) Balance Sheets

	Group		Company	
	As at 30.09.2007	As at 31.12.2006	As at 30.09.2007	As at 31.12.2006
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	82,256	82,103	10,546	216
Trade receivables	103,631	116,221	-	-
Inventories	47,081	57,623	-	-
Amounts due from subsidiaries (non-trade)	-	-	79,472	19,631
Amounts due from a related company (non-trade)	38	38	38	38
Development properties	124,723	160,591	-	-
Income tax recoverable	1,883	1,745	-	-
Other current assets	7,535	5,627	149	95
	367,147	423,948	90,205	19,980
Assets held for sale	369	444	-	-
	367,516	424,392	90,205	19,980
Non-current assets				
Available-for-sale financial assets	101,018	23,690	34,159	20,442
Investments in associated companies	5,217	4,656	-	-
Investments in subsidiaries	-	-	362,936	362,936
Investment properties	41,126	18,422	34,000	-
Loans to subsidiaries	-	-	39,739	71,136
Property, plant and equipment	130,099	137,492	11	38,823
Goodwill	5,361	5,361	-	-
Deferred income tax assets	2,719	2,257	-	-
	285,540	191,878	470,845	493,337
Total assets	653,056	616,270	561,050	513,317
LIABILITIES				
Current liabilities				
Trade and other payables	100,780	104,133	2,005	1,402
Amounts due to subsidiaries (non-trade)	-	-	281,115	244,634
Loan from an associated company	1,155	1,155	1,155	1,155
Current income tax liabilities	7,297	5,386	91	580
Borrowings	64,899	22,403	35,500	-
Provisions	977	987	30	40
	175,108	134,064	319,896	247,811
Non-current liabilities				
Loans from subsidiaries	-	-	49,021	50,439
Borrowings	18,006	51,010	-	-
Provisions for retirement benefits	2,755	2,646	-	-
Deferred income tax liabilities	8,973	9,259	745	745
Other non-current liabilities	201	1,588	-	-
	29,935	64,503	49,766	51,184
Total liabilities	205,043	198,567	369,662	298,995
NET ASSETS	448,013	417,703	191,388	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	44,292	57,820	11,052	4,987
Retained earnings/(accumulated losses)	117,810	81,809	(38,232)	(133)
	390,815	359,242	191,388	214,322
Minority Interest	57,198	58,461	-	-
Total equity	448,013	417,703	191,388	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 September 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 30.09.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
21,039	43,860	10,503	11,900

Amount repayable after one year

As at 30.09.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
18,006	-	51,010	-

Details of any collateral

Short-term bank loans of the Group totalling \$21,032,000 are secured by a corporate guarantee given by the Company and a first mortgage over the leasehold property of a subsidiary and investment in available-for-sale financial assets. Short-term bank loans totalling \$10,496,000 in the prior year is 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 \$13,000 (2006: \$26,000).

1(c) Consolidated Cash Flow Statement

	9 months ended		3 months ended	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Total profit	8,200	6,717	440	5,233
Adjustments for :				
Tax	671	2,595	(354)	1,185
Depreciation of property, plant and equipment	7,527	8,642	2,525	2,723
Dividend income from quoted equity investments	(406)	(298)	(26)	(63)
Property, plant and equipment written-off	27	29	16	29
Exchange difference on consolidation	1,424	(1,644)	(549)	66
Gain on disposal of plant and equipment	(273)	(78)	(251)	-
Loss/(gain) on disposal of assets held for sale	9	(772)	9	(678)
Interest expense	2,792	3,012	960	1,111
Interest income	(1,440)	(1,438)	(501)	(500)
Provision for retirement benefits (net)	239	246	76	78
Provision for restructuring costs/terminations benefits	-	(604)	-	(260)
Share of profit of associated companies	(1,328)	(151)	(65)	(83)
Operating cash flow before working capital change	17,442	16,256	2,280	8,841
Change in operating assets and liabilities				
Development property	35,868	39,529	2,738	29,189
Inventories	10,542	(3,416)	(2,097)	(5,155)
Receivables	12,590	(16,455)	2,982	(6,705)
Other current assets	(1,813)	(957)	528	(815)
Trade and other payables	(5,044)	22,434	11,193	17,356
Cash generated from operations	69,585	57,391	17,624	42,711
Income tax (refund)/paid	(584)	(721)	(342)	264
Restructuring costs paid	(10)	-	-	-
Retirement benefits paid	(138)	(104)	(57)	(43)
Net cash provided by operating activities	68,853	56,566	17,225	42,932

	9 months ended		3 months ended	
	30.09.2007	30.09.2006	30.09.2007	30.09.2006
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Dividends received from quoted equity investments	406	298	26	63
Proceeds from sales of plant and equipment	911	174	812	22
Proceeds from sales of assets held for sale	68	1,670	68	935
Proceeds from redemption of unquoted equity investments	-	148	-	-
Dividend income received from associated company	931	601	-	118
Purchase of property, plant and equipment	(4,660)	(4,337)	(2,321)	(1,466)
Purchase of quoted equity investments	(81,920)	-	(64,424)	-
Purchase of unquoted investments	(12)	(12)	(4)	(4)
Net cash used in investing activities	(84,276)	(1,458)	(65,843)	(332)
Cash flows from financing activities				
Dividends paid to minority shareholders of a subsidiary	(1,714)	(2,478)	(1,714)	(1,071)
Issue of share capital	9,100	-	-	-
Purchase of treasury shares	(217)	(1)	(1)	(1)
Interest received	1,440	1,438	501	500
Interest paid	(2,488)	(2,436)	(896)	(1,134)
Repayment of bank loans	(33,000)	(59,300)	(26,000)	(45,300)
Proceeds from bank borrowings	42,460	-	33,960	-
Payment of finance lease liabilities	(5)	(5)	(2)	(1)
Net cash provided/(used) in financing activities	15,576	(62,782)	5,848	(47,007)
Net increase/(decrease) in cash and cash equivalents	153	(7,674)	(42,770)	(4,407)
Cash and cash equivalents at the beginning of the financial period	82,103	73,372	125,026	70,105
Cash and cash equivalents at the end of the financial period	82,256	65,698	82,256	65,698
Represented by:				
Cash at bank and on hand	24,256	22,200	24,256	22,200
Fixed deposits with financial institutions	58,000	43,498	58,000	43,498
	82,256	65,698	82,256	65,698

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling \$17,837,000 (2006: \$2,864,000) 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 September 2007

	Total share capital \$'000	Capital reserve \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Retained earnings \$'000	Minority interest \$'000	Total equity \$'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/(loss) for the period	-	-	-	-	-	-	3,871	(774)	3,097
Total recognised gains/(loss) 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	-	-	(7,816)	-	-	-	-	(1,714)	(1,714)
Transfer from reserve on realisation	-	-	88,782	7,210	(45,094)	1,722	114,331	58,913	454,577
Balance at 30 June 2007	218,568	10,145	88,782	7,210	(45,094)	1,722	114,331	58,913	454,577
Fair value(loss)/gain on available-for-sale investments	-	-	-	(6,246)	-	-	-	303	(5,943)
Currency translation differences	-	-	-	-	(1,091)	-	-	(1,080)	(2,171)
Net loss recognised directly in equity	-	-	-	(6,246)	(1,091)	-	-	(777)	(8,114)
Profit/(loss) for the period	-	-	-	-	-	-	1,814	(1,374)	440
Total recognised (losses)/gain for the period ended 30 September 2007	-	-	-	(6,246)	(1,091)	-	1,814	(2,151)	(7,674)
Deferred tax adjustment	-	-	666	-	(1)	-	-	431	1,096
Effect of treasury shares in a subsidiary acquired from minority interest	-	-	-	-	-	-	-	(1)	(1)
Transfer from reserve on realisation	-	-	(1,656)	-	-	-	1,665	6	15
Balance at 30 September 2007	218,568	10,145	87,792	964	(46,186)	1,722	117,810	57,198	448,013

* 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 September 2006

	Total share capital \$'000	Capital reserve \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	General reserve \$'000	Retained earnings \$'000	Minority interest \$'000	Total equity \$'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	-	-	-	(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	-	-	(2,627)	-	-	-	2,627	(1,407)	(1,407)
Transfer from reserve on realisation	-	-	-	-	-	-	-	-	-
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
Issue of share capital	-	-	-	-	-	-	-	(1,070)	(1,070)
Deemed acquisition of Minority interest	-	-	-	-	-	-	-	-	-
Transfer from reserve on realisation	-	-	(13,329)	-	-	-	13,329	(1)	(1)
Balance at 30 September 2006	209,468	10,145	117,973	4,571	(47,579)	1,632	64,987	57,082	418,279

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

For the financial period ended 30 September 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 gain 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
Fair value gain on available-for-sale investments	-	3,849	-	3,849
Net gain recognised directly in equity	-	3,849	-	3,849
Net loss for the period	-	-	(25,752)	(25,752)
Balance at 30 September 2007	218,568	11,052	(38,232)	191,388

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

For the financial period ended 30 September 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
Fair value gain on available-for-sale investments	-	963	-	963
Net gain recognised directly in equity	-	963	-	963
Net gain for the period	-	-	578	578
Balance at 30 September 2006	209,468	4,196	(3,508)	210,156

- 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 at 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

In prior years, investment properties held for long-term rental yields and capital appreciation which 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

*Consolidated balance sheets items at
01 January 2007*

Investment propertiesDeferred income tax liabilityProperty revaluation reservesRetaining earnings

Minority interests

Increase/(decrease)
FRS 40
S\$'000
6,713
(822)
(3,412)
9,657
1,307

Company

*Balance sheets items at
01 January 2007*

Investment propertiesProperty plant and equipmentRetaining earnings

Increase/(decrease)
FRS 40
S\$'000
34,000
(38,810)
(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	
	9 months		3 months	
	01.01.2007 To 30.09.2007	01.01.2006 To 30.09.2006	01.07.2007 To 30.09.2007	01.07.2006 To 30.09.2006
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 (cents)	1.67	0.78	0.32	0.75
(b) On a fully diluted basis (cents)	1.65	0.78	0.31	0.75
Weighted average number of ordinary shares in issue for basic earnings per share ('000)	571,698	569,876	573,920	569,876
Weighted average number of ordinary shares in issue for diluted earnings per share ('000)	578,350	570,362	576,404	570,362

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	
	30.09.2007 Cents	31.12.2006 Cents	30.09.2007 Cents	31.12.2006 Cents
Net asset value per ordinary share based on issued share capital as at the end of the reporting period	68.10	63.04	33.35	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:-
- 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
 - 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 - 9 Months ended 30 September 2007 vs. 9 Months ended 30 September 2006

Revenue and Operating Costs

The Group recorded revenue of \$341.01 million for the nine months ended 30 September 2007, which was 2.7% higher than the \$332.17 million achieved in the previous corresponding period. Food and beverage sales increased by \$15.07 million or 5.5%, while revenue from development property decreased by \$6.33 million or 11.2%.

Total profit of the Group was increased from \$6.72 million in the previous corresponding period to \$8.2 million for the nine months ended 30 September 2007. The improvement was mainly due to:

- Higher gross profit of \$5.85 million mainly attributable to the property sales;
- Higher other gains of \$2.72 million due mainly to the write back of provision for foreseeable losses for development properties sold during the period;
- Higher share of profit of \$1.18 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 \$1.92 million due mainly to \$1.08 million adjustment for over provision of prior years tax and decrease of \$0.9 million current year tax provision;

The increase was partially offset by the following:

- Higher advertising and promotion expenses of \$4.38 million due mainly to higher level of promotion activities carried out in Malaysia to maintain market share; and
- Higher selling and distribution costs of \$5.16 million due to higher sales and increased transport and freight cost, partially offset by lower provision for doubtful debts during the period.

8(b) Third Quarter Results - 3 Months ended 30 September 2007 vs. 3 Months ended 30 September 2006

The Group recorded revenue of \$107.6 million in 3Q2007, which was 21.7% lower than the \$137.46 million achieved in 3Q2006. The decrease was mainly due to lower development property sales recognised in the current quarter.

Total profit of the Group in 3Q2007 was \$0.44 million, a decrease of 91.6% as compared to \$5.23 million achieved in 3Q2006. The decrease was mainly due to:

- Lower gross profit of \$4.91 million due mainly to higher production costs in Malaysia ;
- Higher selling and distribution expenses of \$1.26 million due to increased selling expenses in Singapore and China in line with higher sales, higher transport and freight charges as a result of higher export sales, partially offset by lower provision for doubtful debts in the current quarter;

- Higher other operating expenses of \$0.73 million due mainly to higher exchange loss as a result of the weakening of the US dollar against the Singapore dollar in the current quarter;

The decrease was partially offset by the following:

- Reversal of provision for foreseeable losses for property development projects totalling \$0.92 million;
- Lower provision of income tax of \$1.54 million due to losses suffered by its subsidiary in Malaysia which resulted in lower taxable profit earned in the current quarter, partially offset by \$0.4 million higher tax provision in property division.

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

Group

Trade receivables for the Group decreased by \$12.59 million from \$116.22 million as at 31 December 2006 to \$103.63 million as at 30 September 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 \$47.08 million at 30 September 2007 from \$57.62 million at 31 December 2006 due to stock piling in December 2006 for the Chinese New Year festive season.

Development property balance decreased by \$35.87 million from \$160.59 million as at 31 December 2006 to \$124.72 million as at 30 September 2007, due to additional sale of development properties during the period.

Available-for-sale financial assets increased by \$77.33 million from \$23.69 million as at 31 December 2006 to \$101.02 million as at 30 September 2007, due to \$81.92 million additional investment in the common stock of Youcan Foods International Limited, Hain Celestial group, Inc. and Super Coffeemix Manufacturing Ltd, partially offset by \$4.64 million loss on revaluation of quoted investments at their fair value at balance sheet date.

Property, plant and equipment decreased by \$7.39 million from \$137.49 million as at 31 December 2006 to \$130.1 million as at 30 September 2007, largely due to the reclassification of certain properties totalling \$7.93 million to investment properties and depreciation charges of \$7.53 million, partially offset by revaluation surplus of certain assets amounting to \$2.57 and the addition of \$4.66 million equipment.

Investment properties increased by \$22.71 million from \$18.42 million as at 31 December 2006 to \$41.13 million as at 30 September 2007, due mainly to \$15.6 million gain on revaluation of investment properties at their fair value and reclassification of certain properties totalling \$7.93 million from property, plant and equipment as a result of adoption of FRS 40 in 2007.

Trade and other payables decreased by \$3.35 million from \$104.13 million as at 31 December 2006 to \$100.78 million as at 30 September 2007. The decrease was mainly due to lower purchases and expense accruals in Malaysia as a result of lower production activities. In addition, development property division's costs also decreased as a result of completion of Gardenvista project.

Bank borrowings increased by \$9.49 million as at 30 September 2007 due to additional bank borrowings of \$42.46 to fund the purchase of quoted equity investments, partially offset by the repayment of long term property loan of \$33 million.

Company

Available-for-sale financial assets increased by \$13.72 million from \$20.44 million as at 31 December 2006 to \$34.16 million as at 30 September 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 \$6.06 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 September 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.

Amount due from subsidiaries increased by \$59.84 million from \$19.63 million as at 31 December 2006 to \$79.47 million as at 30 September 2007, due mainly to a \$65.03 million loan to a subsidiary to invest in the common stock of Super Coffeemix Manufacturing Ltd. The Loan to the subsidiary is in turn financed by bank borrowings which increased by \$35.5 million and \$31.92 million advances from its subsidiaries.

Loans to subsidiaries decreased by \$31.4 million from \$71.14 million as at 31 December 2006 to \$39.74 million as at 30 September 2007 due mainly to the additional provision for doubtful debts of \$31.44 million made for its loans to China subsidiaries during the period.

Share capital increased from \$209.47 million as at 31 December 2006 to \$218.57 million as at 30 September 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 - 9 months ended 30 September 2007

The Group reported a net increase in cash of \$0.15 million for nine months ended 30 September 2007 as compared to a net decrease in cash of \$7.67 million for the previous corresponding period.

The food and beverage operations generated \$39.85 million cash, while the property division generated \$29 million cash to the Group. The cash inflows from operations together with \$15.58 million from financing activities were used to finance the purchase of quoted equity investments totalling \$81.92 million and \$4.66 million equipment.

Cash inflow from financing activities of \$15.58 million was due to issue of share capital of \$9.1 million and net bank borrowings of \$9.46 million, offset by dividend paid to minority shareholders of a subsidiary of \$1.71 million and net interest paid of \$1.05 million.

Third Quarter – 3 Months ended 30 September 2007

The Group registered a net decrease in cash of \$42.77 million for 3Q2007. The net decrease was mainly due to purchase of quoted equity investments of \$64.42 million, dividend payment to minority shareholders of a subsidiary of \$1.71 million and purchase of property, plant and equipment of \$2.32 million.

The cash outflow was partially funded by the net cash inflow of \$17.23 million from operating activities and net bank borrowings of \$7.96 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 intends to grow its F&B revenue by expanding into new geographic territories as well as enlarging its portfolio of products. The F&B division continues to face increasing raw material and energy costs which will impact negatively on its margins. The division will continue its efforts to improve efficiency and adjust its pricing strategy so as to minimise the impact of higher costs.

For the Property division, the Group will continue to drive sales of its existing developments and is preparing to launch its new development property known as Jardin.

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
06 November 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 September 2007 to be false or misleading in any material respect.

On behalf of the Directors



TJONG YIK MIN
Director

06 November 2007



OW TIN NYAP
Director