YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

Unaudited Financial Statements and Dividend Announcement for the period ended 31 December 2009

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

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

	12 Months		3 Months	
	01.01.2009 to 31.12.2009	01.01.2008 to 31.12.2008	01.10.2009 to 31.12.2009	01.10.2008 to 31.12.2008
	S$'000	S$'000	S$'000	S$'000
Revenue	402,217	414,363	91,904	94,400
Cost of sales	(274,277)	(282,224)	(63,488)	(63,200)
Gross profit	127,940	132,139	28,416	31,200
Other income	1,749	2,948	285	767
Other losses - net	(38,703)	(16,884)	(2,662)	(16,886)
Expenses				
- Advertising and promotion	(27,670)	(31,170)	(7,721)	(8,137)
- Marketing	(1,963)	(1,983)	(331)	(482)
- Selling and distribution	(60,613)	(69,925)	(15,763)	(15,750)
- Administrative	(23,297)	(29,882)	(4,968)	(6,530)
- Finance	(1,292)	(1,921)	(282)	(482)
Share of profits/(losses) of associated companies	887	(2,005)	(42)	(1,771)
Loss before income tax	**(22,962)**	**(18,683)**	**(3,068)**	**(18,071)**
Income tax (expense)/credit	(3,034)	13,732	806	284
Net loss for the period	**(25,996)**	**(4,951)**	**(2,262)**	**(17,787)**
Other comprehensive income/(losses), after tax:				
Financial assets, available-for-sale				
- Fair value gain/(loss)	19,654	(43,789)	1,266	(13,957)
- Transfer to profit or loss	34,598	4,677	-	4,677
Currency translation differences	(1,370)	(5,335)	1,380	1,160
Revaluation gain on property, plant and equipment	-	21,794	-	21,794
Reduction in property revaluation reserve	(5,800)	(1,417)	(1,265)	(279)
Increase in retained earnings from the realisation of property revaluation reserve	5,800	1,417	1,265	279
Change in tax rate	-	68	-	68
Other comprehensive income/(losses) for the period, net of tax	**52,882**	**(22,585)**	**2,646**	**13,742**
Total comprehensive income/(loss) for the period	**26,886**	**(27,536)**	**384**	**(4,045)**
Net loss attributable to:				
Owners of the parent	(24,796)	(4,599)	(1,976)	(16,700)
Minority interests	(1,200)	(352)	(286)	(1,087)
	(25,996)	**(4,951)**	**(2,262)**	**(17,787)**
Total comprehensive income/(loss) attributable to:				
Owners of the parent	27,776	(30,883)	346	(10,034)
Minority interests	(890)	3,347	38	5,989
	26,886	**(27,536)**	**384**	**(4,045)**

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

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

	12 Months		3 Months	
	01.01.2009 to 31.12.2009	01.01.2008 to 31.12.2008	01.10.2009 to 31.12.2009	01.10.2008 to 31.12.2008
	S$'000	S$'000	S$'000	S$'000
Revenue				
Dividend income from available-for-sale financial assets	(1,231)	(1,589)	(11)	(221)
Cost of sales				
Depreciation	5,020	4,521	1,248	1,153
Write down of inventories, net	2,450	2,878	678	998
Marketing expense				
Depreciation	27	32	6	9
Selling and distribution expense				
Depreciation	2,301	2,746	490	692
Impairment of trade debts, net	166	784	(38)	281
Administrative expense				
Impairment of goodwill	-	5,361	-	-
Depreciation	3,248	2,597	794	621
Other losses - net				
Impairment of property, plant and equipment	4,741	409	4,426	409
Revaluation loss on property, plant and equipment	-	5,499	-	5,499
Property, plant and equipment written-off	2,744	1,023	2,613	966
Impairment loss on available-for-sale financial assets	40,779	7,138	1,363	7,138
Allowance for impairment in associated company	-	47	-	-
(Write back of allowance)/allowance for foreseeable losses on development properties	(1,836)	2,033	(1,836)	2,033
Fair value (gain)/loss on investment properties, net	(4,104)	1,258	(4,104)	1,258
Net foreign exchange loss	2,434	1,213	1,409	1,554
Gain on sale of :				
(a) Plant and equipment	(227)	(69)	(113)	(44)
(b) Assets held for sale	(1)	(78)	(1)	-
Transfer of fair value (gain)/loss from equity on disposal of available-for-sale financial assets	(3,220)	-	8	-
Other income				
Interest income	(248)	(845)	(46)	(189)
Finance expense				
Interest expenses on bank borrowings	1,292	1,921	282	482
Income tax				
Over provision of tax in respect of prior years	(1,566)	(16,785)	(1,844)	(429)

1(b) Balance Sheets

	Group		Company	
	As at 31.12.2009	As at 31.12.2008	As at 31.12.2009	As at 31.12.2008
	S$'000	S$'000	S$'000	S$'000
ASSETS				
Current assets				
Cash and cash equivalents	93,328	67,127	8,921	576
Trade and other receivables	75,805	87,048	18,125	15,102
Inventories	48,812	50,820	-	-
Development properties	127,305	125,410	-	-
Current income tax recoverable	2,198	2,207	1,550	1,395
Other current assets	3,146	3,092	100	96
	350,594	**335,704**	**28,696**	**17,169**
Assets held for sale	-	192	-	-
	350,594	**335,896**	**28,696**	**17,169**
Non-current assets				
Available-for-sale financial assets	55,147	51,788	7,183	17,108
Loans to subsidiaries	-	-	53,985	40,846
Investments in associated companies	3,014	2,223	-	-
Investments in subsidiaries	-	-	392,514	400,857
Investment properties	54,883	51,884	31,000	34,000
Property, plant and equipment	122,811	139,852	11	9
Deferred income tax assets	2,975	3,807	217	-
	238,830	**249,554**	**484,910**	**492,820**
Total assets	**589,424**	**585,450**	**513,606**	**509,989**
LIABILITIES				
Current liabilities				
Trade and other payables	81,050	88,874	269,303	272,042
Current income tax liabilities	1,235	1,215	-	-
Borrowings	51,349	65,810	31,000	36,300
Provisions for other liabilities and charges	160	946	-	-
	133,794	**156,845**	**300,303**	**308,342**
Non-current liabilities				
Loans from subsidiaries	-	-	46,327	47,476
Provisions for other liabilities and charges	2,523	2,510	-	-
Deferred income tax liabilities	18,609	16,841	-	-
Other non-current liabilities	36	37	-	-
	21,168	**19,388**	**46,327**	**47,476**
Total liabilities	**154,962**	**176,233**	**346,630**	**355,818**
NET ASSETS	**434,462**	**409,217**	**166,976**	**154,171**
EQUITY				
Capital and reserves attributable to the owners of the parent				
Share capital	218,568	218,568	218,568	218,568
Capital reserves	10,145	10,145	-	-
Revaluation and other reserves	58,993	12,221	1,678	(2,021)
Retained earnings/(Accumulated losses)	91,751	110,747	(53,270)	(62,376)
	379,457	**351,681**	**166,976**	**154,171**
Minority interests	55,005	57,536	-	-
TOTAL EQUITY	**434,462**	**409,217**	**166,976**	**154,171**

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

Amount repayable in one year or less, or on demand

As at 31.12.2009		As at 31.12.2008	
Secured	**Unsecured**	**Secured**	**Unsecured**
S$'000	S$'000	S$'000	S$'000
17,349	34,000	22,010	43,800

Details of any collateral

In 2009, short-term bank loans of the Group totalling $17,349,000 (2008: $22,007,000) are secured by investment in available-for-sale financial assets, a first mortgage over an investment property of a subsidiary and a first mortgage over the residential freehold development property of a subsidiary.

In 2008, certain property, plant and equipment were purchased under finance lease. The net book value of these assets acquired amounted to $18,000 as at 31 December 2008.

1(c) Consolidated Statement of Cash Flows

	12 months ended		3 Months ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities				
Net loss for the period	(25,996)	(4,951)	(2,262)	(17,787)
Adjustments for :				
Income tax expense/(credit)	3,034	(13,732)	(806)	(284)
Depreciation of property, plant and equipment	10,596	9,896	2,538	2,475
Dividend income from available-for-sale financial assets	(1,231)	(1,589)	(11)	(221)
Property, plant and equipment written-off	2,744	1,023	2,613	966
Fair value (gain)/loss on investment properties, net	(4,104)	1,258	(4,104)	1,258
Exchange difference on consolidation	1,225	(3,385)	1,434	(90)
Gain on disposal of plant and equipment	(227)	(69)	(113)	(44)
Gain on disposal of unquoted available-for-sale financial assets	(12)	-	-	-
Gain on disposal of assets held for sale	(1)	(78)	(1)	-
Loss/(gain) on liquidation of a subsidiary	42	(21)	-	(21)
Transfer of fair value (gain)/loss from equity on disposal of available-for-sale financial assets	(3,220)	-	8	-
Impairment of goodwill	-	5,361	-	-
Impairment loss on available-for-sale financial assets	40,779	7,138	1,363	7,138
Interest expense	1,292	1,921	282	482
Interest income	(248)	(845)	(46)	(189)
(Write back of allowance)/allowance for foreseeable losses on development properties	(1,836)	2,033	(1,836)	2,033
Allowance for impairment in associated company	-	47	-	-
Provision for retirement benefits	303	299	76	72
Write back of provision for restructuring cost	(527)	(30)	(527)	(30)
Revaluation loss on property, plant and equipment	-	5,499	-	5,499
Impairment of property, plant and equipment	4,741	409	4,426	409
Share of (profits)/losses of associated companies	(887)	2,005	42	1,771
Operating cash flow before working capital change	26,467	12,189	3,076	3,437
Change in working capital				
Trade and other receivables	11,243	7,604	15,288	15,920
Inventories	2,008	2,515	(6,508)	(8,802)
Development properties	(59)	(71)	83	(1,825)
Other current assets	(54)	(1,459)	245	202
Trade and other payables	(8,097)	(6,707)	(8,413)	(11,408)
Cash generated from/(used in) operations	31,508	14,071	3,771	(2,476)
Income tax (paid)/refunded	(73)	(16,613)	(596)	60
Restructuring costs paid	(259)	(1)	(1)	-
Retirement benefits paid	(258)	(151)	(36)	(29)
Net cash provided by/(used in) operating activities	30,918	(2,694)	3,138	(2,445)

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

	12 months ended		3 Months ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	S$'000	S$'000	S$'000	S$'000
Cash flows from investing activities				
Dividends received from available-for-sale financial assets	1,231	1,589	11	221
Purchase of minority interest share in a subsidiary	-	(235)	-	-
Proceeds from disposal of property, plant and equipment	4,360	187	3,572	155
Proceeds from disposal of assets held for sale	190	427	190	-
Proceeds from disposal of quoted available-for-sale financial assets	13,277	-	41	-
Proceeds from disposal of unquoted available-for-sale financial asset	12	-	-	-
Purchase of property, plant and equipment	(7,070)	(2,980)	(4,120)	(770)
Renovation of investment property	-	(12)	-	-
Purchase of available-for-sale financial assets	-	(174)	-	-
Interest received	248	845	46	189
Net cash provided by/(used in) investing activities	12,248	(353)	(260)	(205)
Cash flows from financing activities				
Dividends paid to minority shareholders of a subsidiary	(1,640)	(2,880)	(549)	(1,242)
Purchase of treasury shares	(1)	(1)	-	-
Interest paid	(1,020)	(2,060)	(126)	(739)
Repayments of borrowings	(40,042)	(57,758)	(13,500)	(16,351)
Proceeds from borrowings	25,742	48,573	10,000	13,216
Repayments of finance lease liabilities	(4)	(6)	-	(1)
Net cash used in financing activities	(16,965)	(14,132)	(4,175)	(5,117)
Net increase/(decrease) in cash and cash equivalents	26,201	(17,179)	(1,297)	(7,767)
Cash and cash equivalents at the beginning of the financial period	67,127	84,306	94,625	74,894
Cash and cash equivalents at the end of the financial period	93,328	67,127	93,328	67,127
Represented by:				
Cash at bank and on hand	40,802	23,124	40,802	23,124
Fixed deposits with financial institutions	52,526	44,003	52,526	44,003
	93,328	67,127	93,328	67,127

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling $28,041,000 (2008: $29,759,000) 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 2009

	Attributable to owners of the parent								Minority interests	Total equity
	Share capital	Capital reserves	Property revaluation reserve	Fair value reserve	Foreign currency translation reserve	General reserve	Retained earnings	Total		
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2009	218,568	10,145	101,887	(39,927)	(50,859)	1,120	110,747	351,681	57,536	409,217
Total comprehensive loss for the period	-	-	(874)	(5,392)	3,414	-	2,459	(393)	(966)	(1,359)
Balance at 31 March 2009	**218,568**	**10,145**	**101,013**	**(45,319)**	**(47,445)**	**1,120**	**113,206**	**351,288**	**56,570**	**407,858**
Effect of treasury shares in a subsidiary acquired from minority interest	-	-	-	-	-	-	-	-	(1)	(1)
Dividends paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(1,091)	(1,091)
Total comprehensive income for the period	-	-	(2,577)	42,674	(3,658)	-	(24,258)	12,181	(32)	12,149
Balance at 30 June 2009	**218,568**	**10,145**	**98,436**	**(2,645)**	**(51,103)**	**1,120**	**88,948**	**363,469**	**55,446**	**418,915**
Dividends paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(549)	(549)
Total comprehensive income for the period	-	-	(1,084)	14,645	(1,433)	-	3,514	15,642	70	15,712
Balance at 30 September 2009	**218,568**	**10,145**	**97,352**	**12,000**	**(52,536)**	**1,120**	**92,462**	**379,111**	**54,967**	**434,078**
Total comprehensive income for the period	-	-	(1,265)	1,195	1,127	-	(711)	346	38	384
Balance at 31 December 2009	**218,568**	**10,145**	**96,087**	**13,195**	**(51,409)**	**1,120**	**91,751**	**379,457**	**55,005**	**434,462**

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

For the financial year ended 31 December 2008

	Attributable to owners of the parent								Minority interests	Total equity
	Share capital	Capital reserves	Property revaluation reserve	Fair value reserve	Foreign currency translation reserve	General reserve	Retained earnings	Total		
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2008	218,568	10,145	88,465	(1,460)	(48,203)	1,238	113,929	382,682	57,188	439,870
Effect of acquisition of minority interests in a subsidiary	-	-	-	-	-	(118)	-	(118)	(117)	(235)
Total comprehensive loss for the period	-	-	(536)	(14,719)	(2,287)	-	10,035	(7,507)	(494)	(8,001)
Balance at 31 March 2008	**218,568**	**10,145**	**87,929**	**(16,179)**	**(50,490)**	**1,120**	**123,964**	**375,057**	**56,577**	**431,634**
Effect of treasury shares in a subsidiary acquired from minority interest	-	-	-	-	-	-	-	-	(1)	(1)
Dividends paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(1,638)	(1,638)
Total comprehensive loss for the period	-	-	(578)	5,781	(3,615)	-	(3,788)	(2,200)	(2,443)	(4,643)
Balance at 30 June 2008	**218,568**	**10,145**	**87,351**	**(10,398)**	**(54,105)**	**1,120**	**120,176**	**372,857**	**52,495**	**425,352**
Dividends paid to minority shareholders of a subsidiary	-	-	-	-	-	-	-	-	(1,242)	(1,242)
Total comprehensive loss for the period	-	-	(24)	(20,523)	2,413	-	6,992	(11,142)	295	(10,847)
Balance at 30 September 2008	**218,568**	**10,145**	**87,327**	**(30,921)**	**(51,692)**	**1,120**	**127,168**	**361,715**	**51,548**	**413,263**
Effect of treasury shares in a subsidiary acquired from minority interest	-	-	-	-	-	-	-	-	(1)	(1)
Total comprehensive loss for the period	-	-	14,560	(9,006)	833	-	(16,421)	(10,034)	5,989	(4,045)
Balance at 31 December 2008	**218,568**	**10,145**	**101,887**	**(39,927)**	**(50,859)**	**1,120**	**110,747**	**351,681**	**57,536**	**409,217**

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

For the financial year ended 31 December 2009

	Share capital	Fair value reserve	Accumulated losses	Total
	$'000	$'000	$'000	$'000
Balance at 1 January 2009	218,568	(2,021)	(62,376)	154,171
Total comprehensive income for the period*	-	(297)	1,850	1,553
Balance at 31 March 2009	218,568	(2,318)	(60,526)	155,724
Total comprehensive loss for the period*	-	812	(19,843)	(19,031)
Balance at 30 June 2009	218,568	(1,506)	(80,369)	136,693
Total comprehensive income for the period*	-	2,750	14,849	17,599
Balance at 30 September 2009	218,568	1,244	(65,520)	154,292
Total comprehensive income for the period*	-	434	12,250	12,684
Balance at 31 December 2009	218,568	1,678	(53,270)	166,976

* Total comprehensive income for the year ended 31 December 2009 includes fair value gain on available-for-sale financial assets of $3,699,000 and net profit for the year of $9,106,000.

For the financial period ended 31 December 2008

	Share capital	Fair value reserve	Accumulated losses	Total
	$'000	$'000	$'000	$'000
Balance at 1 January 2008	218,568	12,338	(52,636)	178,270
Total comprehensive loss for the period*	-	(5,255)	469	(4,786)
Balance at 31 March 2008	218,568	7,083	(52,167)	173,484
Total comprehensive loss for the period*	-	(3,999)	332	(3,667)
Balance at 30 June 2008	218,568	3,084	(51,835)	169,817
Total comprehensive loss for the period*	-	(2,708)	(971)	(3,679)
Balance at 30 September 2008	218,568	376	(52,806)	166,138
Total comprehensive loss for the period*	-	(2,397)	(9,570)	(11,967)
Balance at 31 December 2008	218,568	(2,021)	(62,376)	154,171

* Total comprehensive loss for the year ended 31 December 2008 includes fair value loss on available-for-sale financial assets of $14,359,000 and net loss for the year of $9,740,000.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

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

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

	31.12.2009	31.12.2008
Number of issued shares excluding treasury shares ('000)	573,920	573,920

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2009 (31 December 2008: Nil). The Company does not have any treasury shares.

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

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2008 except for the adoption of revised Financial Reporting Standards disclosed in paragraph 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 January 2009, the Group adopted the following revised Singapore Financial Reporting Standards (FRS).

FRS 1R requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income. Components of comprehensive income are presented in the Consolidated Statement of Comprehensive Income.

The ‘Cash flow statement’ has been re-titled to ‘Statement of cash flows’.

Comparatives for 2008 have been restated to conform to the requirements of the revised standard.

FRS 108 Operating segments replaces FRS 14 *Segment reporting*, and requires a ‘management approach’, under which segment information is presented on the same basis as that used for internal reporting purposes. As the Group has been reporting the financial performance of its operating segments based on the information used internally by management, the revised standard is not expected to have any significant impact to the Group.

Amendment to FRS 107 Improving disclosures about financial statements. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The adoption of the amendment results in additional disclosures but does not have an impact on the accounting policies and measurement bases adopted by the Group.

There was no impact on prior period earnings per ordinary share and net asset value per share on adoption of the revised FRS mentioned above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group		Group	
	12 Months		3 Months	
	01.01.2009 To 31.12.2009	01.01.2008 To 31.12.2008	01.10.2009 To 31.12.2009	01.10.2008 To 31.12.2008
Loss per ordinary share for the period based on net loss attributable to owners of the parent during the period:-				
(a) Based on weighted average number of ordinary share in issue (cents)	(4.32)	(0.80)	(0.34)	(2.91)
(b) On a fully diluted basis (cents)	(4.32)	(0.80)	(0.34)	(2.90)
Weighted average number of ordinary shares in issue for calculation of basic loss per share ('000)	573,920	573,920	573,920	573,920
Weighted average number of ordinary shares in issue for calculation of diluted loss per share ('000)	573,920	576,376	573,920	576,376

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

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

	Group		Company	
	31.12.2009 Cents	**31.12.2008 Cents**	**31.12.2009 Cents**	**31.12.2008 Cents**
Net asset value per ordinary share based on total number of issued shares excluding treasury shares* as at the end of the reporting period	66.12	61.28	29.09	26.86

* The Company does not have any treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

8(a) Year to Date Results - 12 Months ended 31 December 2009 vs. 12 Months ended 31 December 2008

Food and Beverage division performance

The Food and Beverage ("F&B") division recorded revenue of $379.47 million for the current financial year ended 31 December 2009, which was 6.5% lower than the $406.07 million achieved in the previous financial year. The drop in revenue resulted in a corresponding decrease in gross margins by $8.86 million. Despite the decrease in revenue and gross profit, the F&B division recorded a profit after tax of $2.20 million in the current financial year, as compared to a loss after tax of $7.79 million in the previous financial year largely due to:

- Lower advertising and promotion expense of $3.50 million mainly due to lower level of promotion activities carried out in the current financial year;

- Lower selling and distribution expense of $6.75 million mainly due to lower staff related expenses and lower free promotional goods expense of $2.96 million;

- Lower administrative expense of $5.68 million mainly due to the absence of $5.36 million impairment of goodwill for the Group's investment in a China subsidiary that was recorded in 2008;

- Improved results from the Group's China associated company totalling $2.89 million due to better performance in China.

Partially offset by higher income tax expenses of $4.09 million mainly due to higher taxable profit from the Singapore operations, and the absence of a write back of prior years' provision for tax no longer required by a USA subsidiary that was recorded in 2008.

Property division performance

The Property division recorded revenue of $21.12 million in the current financial year as compared to $6.33 million achieved in the previous financial year. The increase in revenue resulted in a corresponding increase in gross margin by $4.85 million which was largely due to additional sales from Gardenvista project in the current financial year.

The Property division recorded a profit after tax of $6.99 million in the current financial year, as compared to a profit after tax of $12.07 million in the previous financial year. The difference was mainly due to the absence of a write back of $11.83 million over provision of prior years' tax subsequent to settlement of tax issue on revaluation surplus on land with IRAS, partially offset by write back of $1.84 million allowance for foreseeable losses in the current financial year.

Group performance

In line with FRS 39, the Group reviews the fair value of its available-for-sale financial assets ("AFS") at balance sheet dates to ascertain if the AFS are impaired and which require the Group to take the cumulative fair value losses to the statement of comprehensive income as an impairment loss. After evaluation of various qualitative and quantitative factors, the Group impaired the carrying value of some of its AFS by $40.78 million during the financial year. This was partially offset by realised fair value gains from equity totalling $3.22 million on disposal of AFS during the year, and fair value gain on investment properties totalling $3.81 million. As a result, despite the improved operational profits from both the F&B and Property divisions, the Group recorded a loss after tax of $26.00 million in the current financial year, as compared to a loss after tax of $4.95 million in the previous financial year.

8(b) Fourth Quarter Results - 3 Months ended 31 December 2009 vs. 3 Months ended 31 December 2008

Food and Beverage division performance

The Food and Beverage ("F&B") division recorded revenue of $87.30 million in 4Q2009, which was 5.9% lower than the $92.82 million achieved in 4Q2008. Loss after tax of the F&B division was $6.02 million in 4Q2009, compared to a loss after tax of $5.37 million in 4Q2008 mainly due to:

- Lower gross profit of $2.57 million in line with lower sales achieved; partially offset by
- Lower share of loss from an associated company of $1.73 million as compared to 4Q2008

Property division performance

The Property division recorded revenue of $4.49 million in 4Q2009 as compared to $1.25 million in 4Q2008. The increase in profit after tax of $3.42 million was mainly due to write back of $1.84 million allowance for foreseeable losses in 4Q2009, compared to allowance for foreseeable losses of $2.03 in 4Q2008.

Group performance

The Group recorded a loss after tax of $2.26 million in 4Q2009, as compared to a loss after tax of $17.79 million in 4Q2008 mainly due to:

- Lower impairment loss of $5.78 million for the Group's investment in quoted AFS as compared to 4Q2008;
- Fair value gain on investment properties of $3.81 million in 4Q2009 as compared to fair value loss of $1.32 million in 4Q2008.

8(c) Balance Sheets – 31 December 2009 vs. 31 December 2008

Group

Trade and other receivables for the Group decreased by $11.24 million from $87.05 million as at 31 December 2008 to $75.81 million as at 31 December 2009. The decrease was mainly in line with lower sales, and improved debtors turnover rate.

AFS increased by $3.36 million from $51.79 million as at 31 December 2008 to $55.15 million as at 31 December 2009. The increase was mainly due to $16.63 million net fair value gains on quoted AFS at balance sheet date, partially offset by disposal of $13.27 million quoted AFS in the current year.

Property, plant and equipment decreased by $17.04 million from $139.85 million as at 31 December 2008 to $122.81 million as at 31 December 2009, mainly due to current period depreciation charge of $10.60 million, production equipment write off of $2.74 million, impairment loss of $4.74 million, disposal of property, plant and equipment of $4.13 million and translation loss of $1.90 million, partially offset by an addition of $7.07 million property and equipment in current year.

Trade and other payables decreased by $7.82 million from $88.87 million as at 31 December 2008 to $81.05 million as at 31 December 2009. The decrease was mainly due to faster settlement of trade payables, partially offset by increase in advertising and promotion expense accrual in Singapore and higher payroll accrual in Malaysia subsidiary.

Bank borrowings decreased by $14.46 million as at 31 December 2009 mainly due to net repayment of short term bank loans.

Company

Trade and other receivables increased by $3.02 million from $15.10 million as at 31 December 2008 to $18.12 million as at 31 December 2009 mainly due to write back of allowance for impairment of receivables from subsidiaries.

AFS decreased by $9.93 million from $17.11 million as at 31 Dec ember 2008 to $7.18 million as at 31 December 2009 due to disposal of $13.24 million quoted AFS, partially offset by $3.15 million net fair value gains on quoted AFS during the year.

Loan to subsidiaries increased by $13.14 million from $40.85 million as at 31 December 2008 to $53.99 million as at 31 December 2009 mainly due to a $14.05 million loan to a Singapore subsidiary during the year.

Investment in subsidiaries decreased by $8.35 million from $400.86 million as at 31 December 2008 to $392.51 million as at 31 December 2009 mainly due to $7.04 million additional impairment of investment in a subsidiary.

Investment properties decreased by $3.00 million from $34.00 million as at 31 December 2008 to $31.00 million as at 31 December 2009, due to revaluation loss on investment property at year end.

Borrowings decreased by $5.30 million from $36.30 million as at 31 December 2008 to $31.00 million as at 31 December 2009 due to net repayment of short term bank loans.

8(d) Statement of Cash Flows

Year to Date - 12 months ended 31 December 2009

The Group reported a net increase in cash of $26.20 million for the 12 months ended 31 December 2009 as compared to a net decrease in cash of $17.18 million for the financial year ended 31 December 2008.

Operating activities generated cash inflow of $30.92 million which was mainly contributed by Food and Beverage division.

Cash inflow from investing activities of $12.25 million was mainly due to proceeds from disposal of AFS of $13.28 million, proceeds from disposal of equipment of $4.36 million and dividends received of $1.23 million, partially offset by purchase of property, plant & equipment worth $7.07 million.

Cash outflow from financing activities of $16.97 million was mainly due to net repayment of bank borrowings of $14.30 million and dividends paid to minority shareholders of a subsidiary of $1.64 million.

Fourth Quarter – 3 Months ended 31 December 2009

The Group registered a net decrease in cash of $1.30 million in 4Q2009

Operating activities generated cash inflow of $3.14 million, of which $4.54 million is contributed by Food and Beverage division, partially offset by $1.40 million used by Property division.

Cash outflow from investing activities of $0.26 million was mainly due to proceeds from disposal of equipment of $3.57 million, partially offset by purchase of machine and equipment of $4.12 million.

Cash outflow from financing activities of $4.18 million was due to net repayment of bank borrowings of $3.50 million and dividends paid to minority shareholders of a subsidiary of $0.55 million.

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

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In the next 12 months, consumer demand and selling price in the Food and Beverage business are expected to remain soft as economies recover from the recession. The Group will continue to focus on improving operational efficiency and cost management measures to stay competitive.

Subsequent to the financial year ended 31 December 2009, Yeo Hiap Seng Trading Sdn Bhd ("YHST") a subsidiary of the Group has terminated its business alliance with Allswell Trading Pte Ltd ("Allswell") for the sales and distribution of "Red Bull" products in Malaysia, effective from 1 April 2010.

The business alliance between Allswell and YHST was formed in April 2005, whereby YHST was appointed by Allswell to distribute "Red Bull" products in Malaysia through YHST's extensive distribution network.

The termination notice, which was received by YHST on 18 January 2010, was served by Allswell after the parties failed to agree on new distribution terms.

For the financial year ended 31 December 2009, the revenue and operating profits contributed by Red Bull products to Malaysia's results was $44.7 million (RM108.3 million) and $0.5 million (RM1.2 million), representing 19.8% and 15.2% of Malaysia's results of $225.1 million (RM546.0 million) and $3.2 million (RM7.9 million) respectively.

While the Group will continue to focus and place greater emphasis on building its own food and beverage products under the "Yeos" brand, the impact of the termination on the revenue and operating profits of the Group is estimated at 5.3% and 2.9% respectively, for the financial year ending 31 December 2010.

The termination is not expected to have any material impact on the net assets of the Group for the financial year ending 31 December 2010.

The outcome of the legal cases referred to in paragraph 11 on contingent liability may affect the performance of the Group in the next 12 months.

For the Property division, the Group will continue to drive sales of its remaining 126 unsold units of development properties in 2010.

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

11. Contingent Liability

In 2003 a legal action for an alleged breach of agreement with regard to contract packing arrangement was brought by FY Sdn Bhd ("the Plaintiff"), a company incorporated in Malaysia, against Yeo Hiap Seng (Malaysia) Berhad ("YHSM"), a subsidiary of the Group. There is no specified sum in the statement of claim which seeks inter alia that YHSM pays general damages.

The matter came up for trial before the court on the 25th and 26th January 2010 and the Plaintiff is now claiming for damages of approximately $2.6 million (RM6.2 million), interest and cost thereon. YHSM is contesting the claim and based on the advice from its legal advisors, the Directors of YHSM are of the opinion that the claim is unsustainable.

On 1 February 2010, YHSM received a formal notification from the Central Jakarta District Court informing that the Jakarta High Court has decided in favour of YHSM and its subsidiary, PT YHS Indonesia in respect of an appeal filed by PT Kharisma Inti Persada ("Plaintiff") in the Jakarta High Court against YHSM and its subsidiary, PT YHS Indonesia, claiming for approximately $32 million (Rupiah 219.9 billion) for an alleged breach of an alleged distribution agreement and an alleged distributor's appointment.

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 2009					
Revenues					
- External sales	379,472	21,123	1,622	-	402,217
- Inter-segment sales	-	-	3,148	(3,148)	-
	379,472	21,123	4,770	(3,148)	402,217
Profit/(Loss) from operation	4,129	8,661	(35,347)		(22,557)
Share of results of associated companies	887	-	-		887
Segment result	5,016	8,661	(35,347)	-	(21,670)
Financial expenses					(1,292)
Loss before income tax					(22,962)
Income tax					(3,034)
Loss after income tax					(25,996)
Minority interest					1,200
Net loss attributable to members of Company					**(24,796)**

	Consumer food and beverage products	Property development	Others	Elimination	Group
	S$'000	S$'000	S$'000	S$'000	S$'000
Year ended 31 December 2008 (Restated*)					
Revenues					
- External sales	406,068	6,326	1,969	-	414,363
- Inter-segment sales	-	-	3,380	(3,380)	-
	406,068	6,326	5,349	(3,380)	414,363
(Loss)/Profit from operation	(6,543)	553	(8,767)		(14,757)
Share of results of associated companies	(2,005)	-	-		(2,005)
Segment result	(8,548)	553	(8,767)	-	(16,762)
Financial expenses					(1,921)
Loss before income tax					(18,683)
Income tax					13,732
Loss after income tax					(4,951)
Minority interest					352
Net loss attributable to members of Company					**(4,599)**

* Restatement arose mainly from reclassification of business segments of the group to comform with the current year presentation.

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 decrease in revenue of $26.60 million for consumer food and beverage products for the financial year ended 31 December 2009 was due mainly to lower consumer demand as affected by the economic downturn. As a result, gross profit has decreased by $8.86 million.

15.2 Property Development

The segment recorded higher revenue of $14.79 million which lead to higher operating profit of $8.66 million as compared to $0.55 million in previous financial year. The improvement was also partially due to write back of $1.84 million allowance for foreseeable losses in the current financial year, which is in line with the improved property market sentiment.

15.3 Others

The segment reported an operating loss of $35.35 million as compared to operating loss of $8.77 million in the previous financial year due mainly to the impairment of AFS of $40.78 million, partially offset by a fair value gain of $4.87 million on investment properties in subsidiaries.

16. A breakdown of sales

	Group		
	Latest financial year S$'000	Previous financial year S$'000	% increase/ (decrease)
Sales reported for first half year	205,845	209,606	-1.8%
Operating (loss)/profit after tax before deducting minority interests reported for first half year	(25,605)	5,442	-570.5%
Sales reported for second half year	196,372	204,757	-4.1%
Operating loss after tax before deducting minority interests reported for second half year	(391)	(10,393)	-96.2%

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
23 February 2010