

YHS YEO HIAP SENG LIMITED

(Company Registration No. 195500138Z)

Unaudited Financial Statements and Dividend Announcement for the period ended 31 March 2012

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

| | 3 Months | |
|---|--------------------------------|--------------------------------|
| | 01.01.2012 to 31.03.2012 | 01.01.2011 to 31.03.2011 |
| | S\$'000 | S\$'000 |
| Revenue | 219,192 | 108,643 |
| Cost of sales | (124,469) | (69,047) |
| Gross profit | 94,723 | 39,596 |
| Other income | 509 | 514 |
| Other losses - net | (142) | (435) |
| Expenses | | |
| - Advertising and promotion | (9,158) | (9,815) |
| - Marketing | (3,741) | (588) |
| - Selling and distribution | (16,119) | (14,297) |
| - Administrative | (6,741) | (5,819) |
| - Finance | (44) | (77) |
| Share of profits of associated companies | 137 | 402 |
| Profit before income tax | 59,424 | 9,481 |
| Income tax expense | (8,677) | (2,180) |
| Net profit for the period | 50,747 | 7,301 |
| Other comprehensive income/(losses): | | |
| Financial assets, available-for-sale | | |
| - Fair value gains/(losses) | 34,388 | (7,346) |
| Currency translation differences arising from consolidation | (848) | (3,081) |
| Other comprehensive income/(losses) for the period, net of tax | 33,540 | (10,427) |
| Total comprehensive income/(losses) for the period | 84,287 | (3,126) |
| Net profit attributable to: | | |
| Equity holders of the Company | 49,448 | 5,951 |
| Non-controlling interests | 1,299 | 1,350 |
| | 50,747 | 7,301 |
| Total comprehensive income/(losses) attributable to: | | |
| Equity holders of the Company | 82,264 | (3,925) |
| Non-controlling interests | 2,023 | 799 |
| | 84,287 | (3,126) |

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

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

| | 3 Months | |
|--|--------------------------------|--------------------------------|
| | 01.01.2012 to 31.03.2012 | 01.01.2011 to 31.03.2011 |
| | S\$'000 | S\$'000 |
| <u>Revenue</u> | | |
| Dividend income from financial assets, available-for-sale | (7) | (7) |
| <u>Cost of sales</u> | | |
| Depreciation | 740 | 974 |
| (Write-back)/Write-down of inventories, net | (7) | 275 |
| <u>Marketing expense</u> | | |
| Depreciation | 1 | 6 |
| <u>Selling and distribution expense</u> | | |
| Depreciation | 593 | 455 |
| Impairment of trade receivables, net | 4 | 21 |
| <u>Administrative expense</u> | | |
| Depreciation | 633 | 603 |
| <u>Other (gains)/losses - net</u> | | |
| Impairment loss on property, plant and equipment | - | 502 |
| Property, plant and equipment written-off | - | 1 |
| Fair value gains on financial assets, at fair value through profit or loss | (113) | (176) |
| Write-back of allowance for foreseeable losses on development properties | - | (240) |
| Net foreign exchange loss | 528 | 941 |
| Gain on disposal of property, plant and equipment | (28) | (456) |
| <u>Other income</u> | | |
| Interest income | (30) | (37) |
| <u>Finance expense</u> | | |
| Interest expense on bank borrowings | 44 | 77 |
| <u>Income tax</u> | | |
| Over provision of tax in respect of prior years | (345) | (153) |

1(b) Balance Sheets

| | Group | | | Company | |
|---|---------------------|------------------------------------|------------------------------------|---------------------|---------------------|
| | As at 31.03.2012 | As at 31.12.2011 (Restated)* | As at 01.01.2011 (Restated)* | As at 31.03.2012 | As at 31.12.2011 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 110,091 | 107,059 | 100,634 | 1,185 | 2,053 |
| Financial assets, at fair value through profit or loss | 15,316 | 13,106 | 20,429 | - | - |
| Trade and other receivables | 174,621 | 73,752 | 64,822 | 14,339 | 14,252 |
| Inventories | 48,703 | 54,737 | 46,886 | - | - |
| Development properties | 75,856 | 118,564 | 117,432 | - | - |
| Current income tax recoverable | 817 | 879 | 604 | - | - |
| Other current assets | 5,267 | 5,099 | 3,105 | 68 | 82 |
| | 430,671 | 373,196 | 353,912 | 15,592 | 16,387 |
| Non-current assets | | | | | |
| Financial assets, available-for-sale | 137,125 | 102,723 | 108,548 | 10,107 | 8,814 |
| Loans to subsidiaries | - | - | - | 22,058 | 21,814 |
| Investments in associated companies | 4,140 | 4,235 | 3,204 | - | - |
| Investments in subsidiaries | - | - | - | 301,978 | 301,978 |
| Investment properties | 62,939 | 63,684 | 56,555 | 46,220 | 45,631 |
| Property, plant and equipment | 128,244 | 126,443 | 109,420 | 70 | 70 |
| Intangible assets | - | - | 17 | - | - |
| Deferred income tax assets | 1,256 | 1,379 | 1,381 | - | - |
| | 333,704 | 298,464 | 279,125 | 380,433 | 378,307 |
| Total assets | 764,375 | 671,660 | 633,037 | 396,025 | 394,694 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | 88,483 | 86,372 | 71,178 | 69,276 | 69,788 |
| Current income tax liabilities | 19,590 | 3,088 | 2,822 | 434 | 404 |
| Borrowings | 9,868 | 10,808 | 26,857 | 5,000 | 5,000 |
| | 117,941 | 100,268 | 100,857 | 74,710 | 75,192 |
| Non-current liabilities | | | | | |
| Loans from subsidiaries | - | - | - | - | - |
| Provisions for other liabilities and charges | 2,250 | 2,239 | 2,237 | - | - |
| Deferred income tax liabilities | 11,722 | 21,046 | 16,685 | 1,458 | 1,416 |
| Other non-current liabilities | 33 | 33 | 34 | - | - |
| | 14,005 | 23,318 | 18,956 | 1,458 | 1,416 |
| Total liabilities | 131,946 | 123,586 | 119,813 | 76,168 | 76,608 |
| NET ASSETS | 632,429 | 548,074 | 513,224 | 319,857 | 318,086 |
| EQUITY | | | | | |
| Capital and reserves attributable to equity holders of the Company | | | | | |
| Share capital | 218,865 | 218,568 | 218,568 | 218,865 | 218,568 |
| Capital reserves | 6,066 | 6,066 | 6,066 | - | - |
| Other reserves | 109,886 | 96,832 | 119,298 | 5,923 | 4,859 |
| Retained profits | 241,103 | 172,122 | 115,517 | 95,069 | 94,659 |
| | 575,920 | 493,588 | 459,449 | 319,857 | 318,086 |
| Non-controlling interests | 56,509 | 54,486 | 53,775 | - | - |
| TOTAL EQUITY | 632,429 | 548,074 | 513,224 | 319,857 | 318,086 |

* Restated : Prior year comparatives are restated due to the adoption of the Amendments to FRS 12 – Deferred tax : Recovery of Underlying Assets which became effective for annual periods beginning on or after 1 January 2012. Please also see Note 5 below.

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

Amount repayable in one year or less, or on demand

| As at 31.03.2012 | | As at 31.12.2011 | |
|------------------|-----------|------------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 4,868 | 5,000 | 5,808 | 5,000 |

Details of any collateral

Short-term bank loan of the Group totalling \$4,868,000 (2011: \$5,808,000) is secured by a first mortgage over an investment property of a subsidiary.

1(c) Consolidated Statement of Cash Flows

| | 3 Months ended | |
|--|-----------------------|-------------------|
| | 31.03.2012 | 31.03.2011 |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities | | |
| Net profit for the period | 50,747 | 7,301 |
| Adjustments for : | | |
| Income tax expense | 8,677 | 2,180 |
| Depreciation of property, plant and equipment | 1,967 | 2,038 |
| Dividend income from financial assets, available-for-sale | (7) | (7) |
| Employee share-based payment expense | 68 | - |
| Property, plant and equipment written-off | - | 1 |
| Currency exchange difference on consolidation | 408 | (462) |
| Gain on disposal of property, plant and equipment | (28) | (456) |
| Fair value gains on financial assets, at fair value through profit or loss | (113) | (176) |
| Amortisation of intangible assets | - | 17 |
| Interest expense | 44 | 77 |
| Interest income | (30) | (37) |
| Write-back of allowance for foreseeable losses on development properties | - | (240) |
| Provision for retirement benefits | 72 | 85 |
| Impairment loss on property, plant and equipment | - | 502 |
| Share of profits of associated companies | (137) | (402) |
| Operating cash flow before working capital change | 61,668 | 10,421 |
| Change in working capital | | |
| Trade and other receivables | (100,869) | 745 |
| Inventories | 6,034 | 8,661 |
| Development properties | 42,708 | 757 |
| Other current assets | (168) | (535) |
| Trade and other payables | 2,111 | 2,497 |
| Cash generated from operations | 11,484 | 22,546 |
| Income tax paid | (1,333) | (610) |
| Retirement benefits paid | (66) | (94) |
| Net cash provided by operating activities | 10,085 | 21,842 |

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

| | 3 Months ended | |
|--|-----------------------|-------------------|
| | 31.03.2012 | 31.03.2011 |
| | S\$'000 | S\$'000 |
| Cash flows from investing activities | | |
| Dividends received from financial assets, available-for-sale | 7 | 7 |
| Proceeds from disposal of property, plant and equipment | 28 | 477 |
| Proceeds from disposal of financial assets, at fair value through profit or loss | 2,051 | - |
| Dividend income received from associated company | 148 | - |
| Purchases of property, plant and equipment | (4,340) | (820) |
| Purchases of financial assets, at fair value through profit or loss | (4,102) | (8,333) |
| Interest received | 30 | 37 |
| Net cash used in investing activities | (6,178) | (8,632) |
| Cash flows from financing activities | | |
| Withdrawal of a fixed deposit pledged for bank borrowings | - | 6,718 |
| Interest paid | (45) | (64) |
| Repayments of borrowings | (830) | (15,000) |
| Proceeds from borrowings | - | 3,000 |
| Net cash used in financing activities | (875) | (5,346) |
| Net increase in cash and cash equivalents | 3,032 | 7,864 |
| Cash and cash equivalents at the beginning of the financial period | 107,059 | 93,683 |
| Cash and cash equivalents at the end of the financial period* | 110,091 | 101,547 |
| Represented by: | | |
| Cash at bank and on hand | 100,148 | 71,135 |
| Fixed deposits with financial institutions | 9,943 | 30,412 |
| Cash and cash equivalents as per balance sheet | 110,091 | 101,547 |

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling \$82,980,000 (2011: \$78,216,000) held under the Housing Developers (Project Account) (Amendment) Rules 1997 and the Housing Developers (Project Account) Rules (1990 Ed), withdrawals from which must be in accordance with the said Rules.

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

For the financial period ended 31 March 2012

| For the financial period ended 31 March 2012 | | | | | | | | | | Non-controlling interests | Total equity |
|--|---|------------------|------------------------------|--------------------|--------------------------------------|-----------------|-----------------------------|------------------|---------|---------------------------|--------------|
| | Attributable to equity holders of the Company | | | | | | | | | | |
| | Share capital | Capital reserves | Property revaluation reserve | Fair value reserve | Foreign currency translation reserve | General reserve | Share-based payment reserve | Retained profits | Total | | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2012 - As previously reported | 218,568 | 6,066 | 70,238 | 61,638 | (36,675) | 1,120 | 511 | 167,117 | 488,583 | 54,939 | 543,522 |
| Effect of adopting Amendments to FRS 12 | - | - | - | - | - | - | - | 5,005 | 5,005 | (453) | 4,552 |
| Balance at 1 January 2012 - As restated | 218,568 | 6,066 | 70,238 | 61,638 | (36,675) | 1,120 | 511 | 172,122 | 493,588 | 54,486 | 548,074 |
| Employee share-based compensation scheme | | | | | | | | | | | |
| - Value of employee services | - | - | - | - | - | - | 68 | - | 68 | - | 68 |
| - Issue of new shares | 297 | - | - | - | - | - | (297) | - | - | - | - |
| Transfer to retained profits on realisation | - | - | (19,533) | - | - | - | - | 19,533 | - | - | - |
| Total comprehensive income for the period | - | - | - | 33,920 | (1,104) | - | - | 49,448 | 82,264 | 2,023 | 84,287 |
| Balance at 31 March 2012 | 218,865 | 6,066 | 50,705 | 95,558 | (37,779) | 1,120 | 282 | 241,103 | 575,920 | 56,509 | 632,429 |

For the financial period ended 31 March 2011

| For the financial period ended 31 March 2011 | | | | | | | | | | Non-controlling interests | Total equity |
|--|---|------------------|------------------------------|--------------------|--------------------------------------|-----------------|-----------------------------|------------------|---------|---------------------------|--------------|
| | Attributable to equity holders of the Company | | | | | | | | | | |
| | Share capital | Capital reserves | Property revaluation reserve | Fair value reserve | Foreign currency translation reserve | General reserve | Share-based payment reserve | Retained profits | Total | | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2011 - As previously reported | 218,568 | 6,066 | 84,241 | 66,586 | (32,649) | 1,120 | - | 111,923 | 455,855 | 54,439 | 510,294 |
| Effect of adopting Amendments to FRS 12 | - | - | - | - | - | - | - | 3,594 | 3,594 | (664) | 2,930 |
| Balance at 1 January 2011 - As restated | 218,568 | 6,066 | 84,241 | 66,586 | (32,649) | 1,120 | - | 115,517 | 459,449 | 53,775 | 513,224 |
| Transfer to retained profits on realisation | - | - | (2,342) | - | - | - | - | 2,342 | - | - | - |
| Total comprehensive losses for the period | - | - | - | (7,403) | (2,473) | - | - | 5,951 | (3,925) | 799 | (3,126) |
| Balance at 31 March 2011 | 218,568 | 6,066 | 81,899 | 59,183 | (35,122) | 1,120 | - | 123,810 | 455,524 | 54,574 | 510,098 |

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

Notes:

The Group has written back a total amount of \$4.55 million from deferred tax liabilities to retained profits as a prior year adjustment. This adjustment arises from adoption of the Amendments to FRS 12 – Deferred tax: Recovery of Underlying Assets which became effective for annual periods beginning on or after 1 January 2012.

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

For the financial period ended 31 March 2012

| | Share capital | Fair value reserve | Share-based payment reserve | Retained profits | Total |
|---|---------------|--------------------|-----------------------------|------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2012 | 218,568 | 4,348 | 511 | 94,659 | 318,086 |
| Employee share-based compensation scheme | | | | | |
| - Value of employee services | - | - | 68 | - | 68 |
| - Issue of new shares | 297 | - | (297) | - | - |
| Total comprehensive income for the period | - | 1,293 | - | 410 | 1,703 |
| Balance at 31 March 2012 | 218,865 | 5,641 | 282 | 95,069 | 319,857 |

For the financial period ended 31 March 2011

| | Share capital | Fair value reserve | Share-based payment reserve | Accumulated losses | Total |
|--|---------------|--------------------|-----------------------------|--------------------|---------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 January 2011 | 218,568 | 3,690 | - | (28,753) | 193,505 |
| Total comprehensive income/(losses) for the period | - | 322 | - | (176) | 146 |
| Balance at 31 March 2011 | 218,568 | 4,012 | - | (28,929) | 193,651 |

- 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.**

Issued and fully paid ordinary shares:

As at beginning of period

Issue during the period

- pursuant to the grant of awards under employee share-based compensation scheme

As at end of period

| Group | |
|------------|------------|
| 31.03.2012 | 31.03.2011 |
| 573,920 | 573,920 |
| 202 | - |
| 574,122 | 573,920 |

- 1(d)(iii) To show number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at end of the current financial period and as at end of the immediately preceding year.**

The Company does not have any treasury shares.

- 1(d)(iv) 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:-**

Number of issued shares excluding treasury shares ('000)

| 31.03.2012 | 31.12.2011 |
|------------|------------|
| 574,122 | 573,920 |

- 1(d)(v) 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 March 2012 (31 December 2011: Nil).

- 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 2011 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 2012, the Group adopted the following amendment to existing standard that has been published.

Amendments to FRS 12 – Deferred tax: Recovery of underlying assets (effective for annual periods beginning on or after 1 January 2012)

The impact on the financial statements is a reduction in deferred tax liability of \$4.5 million on adoption of the amendment to FRS mentioned above.

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

| | Group | |
|--|--------------------------------|--------------------------------|
| | 3 Months | |
| | 01.01.2012 To 31.03.2012 | 01.01.2011 To 31.03.2011 |
| Earnings per ordinary share for the period based on net profit attributable to equity holders of the Company during the period:- | | |
| (a) Based on weighted average number of ordinary share in issue (cents) | 8.61 | 1.04 |
| (b) On a fully diluted basis (cents) | 8.61 | 1.04 |
| Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000) | 574,104 | 573,920 |
| Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000) | 574,234 | 573,920 |

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

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

| | Group | | Company | |
|--|---------------------|------------------------------------|---------------------|---------------------|
| | 31.03.2012 Cents | 31.12.2011 (Restated)* Cents | 31.03.2012 Cents | 31.12.2011 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 | 100.31 | 86.00 | 55.71 | 55.42 |

The Company does not have any treasury shares.

* Restated: Prior year comparatives are restated due to the adoption of the Amendments to FRS 12 – Deferred tax : Recovery of Underlying Assets which became effective for annual periods beginning on or after 1 January 2012.

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) First Quarter Results - 3 Months ended 31 March 2012 vs. 3 Months ended 31 March 2011

Food and Beverage division performance

The Food and Beverage ("F&B") revenue increased by 6.1% to \$102.85 million for the financial period ended 31 March 2012 as compared to \$96.89 million recorded in the corresponding period last year. The F&B division gross profit improved by 5.8% to \$37.19 million as compared to \$35.16 million recorded in the corresponding period last year.

Overall, the F&B division recorded higher net profit after tax attributable to equity holders of the Company of \$4.03 million in the current financial period as compared to net profit after tax of \$2.76 million in the corresponding period last year mainly due to higher gross profit of \$2.03 million which is in line with higher revenue. The increase was partially offset by higher distribution expenses of \$0.76 million mainly due to higher transport and freight cost which are in line with higher sales in Malaysia.

Property division performance

Revenue from Property division, which is recognised progressively, increased by \$104.58 million to \$116.34 million in the current period as compared to \$11.76 million recorded in the corresponding period last year. Net profit after tax improved from \$3.39 million in the corresponding period last year to \$44.12 million in the current financial period.

The property division recorded higher profit after tax of \$40.73 million in the current financial period due to additional \$53.07 million gross profit recognised due to current period sales and progressive recognition of profits from sold units, partially offset by \$3.14 million higher marketing expenses and \$8.41 million additional tax charge due to higher profits.

Group performance

The improved performance from both the F&B and property divisions in the current period, contributed to \$43.50 million higher net profit after tax attributable to equity holders of the Company of \$49.45 million in the current period, as compared to a net profit after tax of \$5.95 million in the corresponding period last year.

8(b) Balance Sheets – 31 March 2012 vs. 31 March 2011

Group

Trade and other receivables increased by \$100.87 million from \$73.75 million as at 31 December 2011 to \$174.62 million as at 31 March 2012. The increase was largely due to progress billings and unbilled revenue from Jardin project which attained TOP status in the current financial period.

Inventories decreased by \$6.04 million from \$54.74 million as at 31 December 2011 to \$48.70 million as at 31 March 2012 mainly due to lower stock holding after the Chinese New Year festive season.

Development properties decreased by \$42.70 million from \$118.56 million as at 31 December 2011 to \$75.86 million as at 31 March 2012 mainly due to additional units of Jardin project being

sold in the current financial period and progressive recognition of costs, taken to profit or loss, up to TOP stage for units sold.

Financial assets, available-for-sale, increased by \$34.41 million from \$102.72 million as at 31 December 2011 to \$137.13 million as at 31 March 2012 largely due to fair value gains in the current financial period.

Current income tax liabilities increased by \$16.50 million from \$3.09 million as at 31 December 2011 to \$19.59 million as at 31 March 2012 mainly due to the transfer of tax provision for the Jardin project from deferred income tax liabilities upon obtaining TOP.

Deferred income tax liabilities decreased by \$9.33 million from \$21.05 million as at 31 December 2011 to \$11.72 million as at 31 March 2012 mainly due to the transfer of deferred income tax liabilities pertaining to taxable profits from the Jardin project to current income tax.

Company

Financial assets, available-for-sale, increased by \$1.30 million from \$8.81 million as at 31 December 2011 to \$10.11 million as at 31 March 2012 largely due to fair value gains in the current financial period.

8(c) Statement of Cash Flows

First Quarter - 3 months ended 31 March 2012 vs. 3 months ended 31 March 2011

The Group registered a net increase in cash and cash equivalents of \$3.03 million for the quarter ended 31 March 2012.

Net operating cash inflows from the Food and Beverage division and the Property division were \$6.18 million and \$3.90 million respectively and this was mainly due to higher sales and profit in the current quarter.

Cash outflow from investing activities of \$6.18 million was mainly due to purchases of property, plant and equipment of \$4.34 million and net purchases of financial assets, at fair value through profit or loss of \$2.05 million.

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

Not applicable.

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

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

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

For the Property division, the Group will continue to sell its remaining 35 units of development properties.

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

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking

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

11. Contingent Liability

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

On 10 March 2010, the High Court of Shah Alam has vide the proceedings under Civil Suit no. MT3-22-936-2003 and granted judgement against YHSM in favour of the Plaintiff. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. Based on the advice from its legal advisors, YHSM has a strong case to appeal and a memorandum of appeal has been filed with the Court on 28 June 2010. The Board of Directors announced on 28 March 2012 that the Court of Appeal upon hearing on 27 March 2012, has granted judgement in favour of the Company and allowed the Company's appeal with costs. On 2 April 2012, the Plaintiff has withdrawn its application for assessment of damages at the High Court.

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

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

12. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

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/recommendeded, a statement to that effect.

No dividend is recommended for the financial period reported on.

14. Interested Person Transactions

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

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
26 April 2012

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 31 March 2012 to be false or misleading in any material respect.

On behalf of the Directors



TJONG YIK MIN
Director

26 April 2012



YAP NG SENG
Director