

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

	9 Months		3 Months	
	01.01.2012 to 30.09.2012	01.01.2011 to 30.09.2011	01.07.2012 to 30.09.2012	01.07.2011 to 30.09.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	460,003	349,376	114,488	126,667
Cost of sales	(274,828)	(220,528)	(71,104)	(80,519)
Gross profit	185,175	128,848	43,384	46,148
Other income	1,652	1,568	577	514
Other (losses)/gains - net	(1,362)	4,169	(2,822)	3,129
Expenses				
- Advertising and promotion	(28,395)	(29,927)	(10,172)	(11,754)
- Marketing	(5,419)	(2,643)	(544)	(1,181)
- Selling and distribution	(49,702)	(42,521)	(17,175)	(15,524)
- Administrative	(22,907)	(17,898)	(7,801)	(6,613)
- Finance	(141)	(163)	(45)	(43)
Share of profit/(loss) of associated companies	496	749	(34)	174
Profit before income tax	79,397	42,182	5,368	14,850
Income tax expense	(13,244)	(6,612)	(2,346)	(1,899)
Net profit for the period	66,153	35,570	3,022	12,951
Other comprehensive income/(losses):				
Financial assets, available-for-sale				
- Fair value gains	65,603	9,274	7,733	7,368
Currency translation differences arising from consolidation	(5,933)	(2,611)	(2,889)	4,725
Currency translation reserves transferred to profit or loss upon liquidation of subsidiaries	-	(2,182)	-	(2,182)
Other comprehensive income for the period, net of tax	59,670	4,481	4,844	9,911
Total comprehensive income for the period	125,823	40,051	7,866	22,862
Net profit attributable to:				
Equity holders of the Company	65,145	32,867	3,349	12,232
Non-controlling interests	1,008	2,703	(327)	719
	66,153	35,570	3,022	12,951
Total comprehensive income attributable to:				
Equity holders of the Company	123,993	38,939	7,896	21,906
Non-controlling interests	1,830	1,112	(30)	956
	125,823	40,051	7,866	22,862

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

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

	9 Months		3 Months	
	01.01.2012 to 30.09.2012	01.01.2011 to 30.09.2011	01.07.2012 to 30.09.2012	01.07.2011 to 30.09.2011
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Revenue</u>				
Dividend income from financial assets, available-for-sale	(3,809)	(3,709)	(1,328)	(1,334)
<u>Cost of sales</u>				
Depreciation	2,555	3,070	1,007	1,100
Write-down of inventories, net	1,118	39	590	106
<u>Marketing expense</u>				
Depreciation	4	14	1	2
<u>Selling and distribution expense</u>				
Depreciation	1,795	1,534	599	551
Impairment of trade receivables, net	419	45	39	5
<u>Administrative expense</u>				
Depreciation	2,148	1,659	869	493
<u>Other losses/(gains) - net</u>				
Impairment loss on property, plant and equipment	622	749	622	-
Property, plant and equipment written-off	3	13	3	10
Gain on liquidation of subsidiaries, net	-	(2,182)	-	(2,182)
Impairment loss on financial assets, available-for-sale	-	301	-	301
Fair value gains on financial assets, at fair value through profit or loss	(329)	(856)	(74)	(343)
Write-back of allowance for foreseeable losses on development properties	-	(536)	-	(296)
Net foreign exchange loss/(gain)	1,688	547	1,275	(416)
(Gain)/Loss on disposal of property, plant and equipment	(160)	(496)	1,076	(5)
Write-back of loan from an associated company	-	(1,155)	-	-
<u>Other income</u>				
Interest income	(122)	(111)	(56)	(33)
<u>Finance expense</u>				
Interest expense on bank borrowings	141	163	45	43
<u>Income tax</u>				
(Over)/Under provision of tax in respect of prior years	(238)	(235)	60	(87)

1(b) Balance Sheets

	Group			Company	
	As at 30.09.2012	As at 31.12.2011 (Restated)*	As at 01.01.2011 (Restated)*	As at 30.09.2012	As at 31.12.2011
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets					
Cash and cash equivalents	171,467	107,059	100,634	50,983	2,053
Financial assets, at fair value through profit or loss	4,345	13,106	20,429	-	-
Trade and other receivables	143,130	73,752	64,822	57,285	14,252
Inventories	49,472	54,737	46,886	-	-
Development properties	55,636	118,564	117,432	-	-
Current income tax recoverable	916	879	604	-	-
Other current assets	4,668	5,099	3,105	59	82
	429,634	373,196	353,912	108,327	16,387
Non-current assets					
Financial assets, available-for-sale	168,051	102,723	108,548	13,831	8,814
Loans to subsidiaries	-	-	-	20,018	21,814
Investments in associated companies	5,297	4,235	3,204	-	-
Investments in subsidiaries	-	-	-	302,196	301,978
Investment properties	59,858	63,684	56,555	46,342	45,631
Property, plant and equipment	134,919	126,443	109,420	661	70
Intangible assets	-	-	17	-	-
Deferred income tax assets	1,104	1,379	1,381	-	-
	369,229	298,464	279,125	383,048	378,307
Total assets	798,863	671,660	633,037	491,375	394,694
LIABILITIES					
Current liabilities					
Trade and other payables	90,161	86,372	71,178	72,259	69,788
Current income tax liabilities	20,625	3,088	2,822	468	404
Borrowings	7,284	10,808	26,857	3,000	5,000
	118,070	100,268	100,857	75,727	75,192
Non-current liabilities					
Provisions for other liabilities and charges	2,241	2,239	2,237	-	-
Deferred income tax liabilities	11,750	21,046	16,685	1,604	1,416
Other non-current liabilities	32	33	34	-	-
	14,023	23,318	18,956	1,604	1,416
Total liabilities	132,093	123,586	119,813	77,331	76,608
NET ASSETS	666,770	548,074	513,224	414,044	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	129,608	96,832	119,298	9,770	4,859
Retained profits	257,504	172,122	115,517	185,409	94,659
	612,043	493,588	459,449	414,044	318,086
Non-controlling interests	54,727	54,486	53,775	-	-
TOTAL EQUITY	666,770	548,074	513,224	414,044	318,086

1(b) Balance Sheets (continued)

* 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 30.09.2012		As at 31.12.2011	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
4,284	3,000	5,808	5,000

Details of any collateral

Short-term bank loan of the Group totalling \$4,284,000 (2011: \$5,808,000) is secured by a first mortgage over an investment property of a subsidiary.

1(c) Consolidated Statement of Cash Flows

	9 Months ended		3 Months ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit for the period	66,153	35,570	3,022	12,951
Adjustments for :				
Income tax expense	13,244	6,612	2,346	1,899
Depreciation of property, plant and equipment	6,502	6,277	2,476	2,146
Dividend income from financial assets, available-for-sale	(3,809)	(3,709)	(1,328)	(1,334)
Employee share-based payment expense	204	-	68	-
Property, plant and equipment written-off	3	13	3	10
Unrealised currency translation differences	(864)	(1,334)	(273)	668
(Gain)/Loss on disposal of property, plant and equipment	(160)	(496)	1,076	(5)
Fair value gains on financial assets, at fair value through profit or loss	(329)	(856)	(74)	(343)
Gain on liquidation of subsidiaries, net	-	(2,182)	-	(2,182)
Write-off of intangible assets	-	17	-	-
Impairment loss on financial assets, available-for-sale	-	301	-	301
Interest expense	141	163	45	43
Interest income	(122)	(111)	(56)	(33)
Write-back of allowance for foreseeable losses on development properties	-	(536)	-	(296)
Provision for retirement benefits	228	223	82	69
Impairment loss on property, plant and equipment	622	749	622	(4)
Share of (profit)/loss of associated companies	(496)	(749)	34	(174)
	81,317	39,952	8,043	13,716
Change in working capital :				
Trade and other receivables	(69,378)	(16,729)	36,620	(9,938)
Inventories	5,265	1,609	(1,413)	(2,592)
Development properties	62,928	14,891	3,482	5,681
Other current assets	431	(239)	617	(72)
Trade and other payables	2,199	11,977	(1,992)	8,185
Cash generated from operations	82,762	51,461	45,357	14,980
Income tax paid	(4,531)	(3,063)	(1,588)	(1,131)
Retirement benefits paid	(166)	(187)	(49)	(11)
Net cash provided by operating activities	78,065	48,211	43,720	13,838

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

	9 Months ended		3 Months ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Dividends received from financial assets, available-for-sale	3,809	3,709	1,328	1,334
Acquisition of investment in an associated company	(1,199)	-	(1,199)	-
Proceeds from disposal of investment properties	1,608	-	-	-
Proceeds from disposal of property, plant and equipment	329	523	304	4
Proceeds from disposal of financial assets, at fair value through profit or loss	19,076	8,209	11,713	8,209
Dividend income received from an associated company	449	-	301	-
Purchases of property, plant and equipment	(18,498)	(10,072)	(5,855)	(6,052)
Purchases of financial assets, available-for-sale	-	(24)	-	-
Purchases of financial assets, at fair value through profit or loss	(10,147)	(16,418)	79	(152)
Interest received	122	111	56	33
Net cash (used in)/provided by investing activities	(4,451)	(13,962)	6,727	3,376
Cash flows from financing activities				
Dividends paid to equity holders of the Company	(5,742)	-	-	-
Withdrawal of a fixed deposit pledged for borrowings	-	6,718	-	-
Purchases of treasury shares in a subsidiary from non-controlling interests	-	(1)	-	-
Interest paid	(141)	(154)	(45)	(43)
Repayments of borrowings	(4,323)	(15,000)	(2,161)	-
Proceeds from borrowings	1,000	3,000	-	-
Net cash used in financing activities	(9,206)	(5,437)	(2,206)	(43)
Net increase in cash and cash equivalents	64,408	28,812	48,241	17,171
Cash and cash equivalents at the beginning of the financial period	107,059	93,683	123,226	105,324
Cash and cash equivalents at the end of the financial period*	171,467	122,495	171,467	122,495
Represented by:				
Cash at bank and on hand	81,495	64,495	81,495	64,495
Fixed deposits with financial institutions	89,972	58,000	89,972	58,000
Cash and cash equivalents as as per balance sheet and above	171,467	122,495	171,467	122,495

Notes

Included in fixed deposits and cash at bank and on hand of the Group are amounts totalling \$12,161,000 (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 30 September 2012

	Attributable to equity holders of the Company										
	Share capital \$'000	Capital reserves \$'000	Property revaluation reserve \$'000	Foreign currency translation reserve \$'000			Share-based payment reserve \$'000	Retained profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
				Fair value reserve \$'000	General reserve \$'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	-	-	-	-	-	-	68	-	68	-	68
- Value of employee services	297	-	-	-	-	-	(297)	-	-	-	-
- Issue of new shares	-	-	(19,533)	-	-	-	-	19,533	-	-	-
Transfer to retained profits on realisation	-	-	-	-	-	-	-	49,448	82,264	2,023	84,287
Total comprehensive income for the period	-	-	-	33,920	(1,104)	-	-	-	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
Employee share-based compensation scheme - Value of employee services	-	-	-	-	-	-	68	-	68	-	68
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(1,589)	(1,589)
Dividends paid to equity holders of the Company	-	-	-	-	-	-	-	(5,742)	(5,742)	-	(5,742)
Transfer to retained profits on realisation	-	-	(5,064)	-	-	-	-	5,064	-	-	-
Total comprehensive income for the period	-	-	-	22,447	(962)	-	-	12,348	33,833	(163)	33,670
Balance at 30 June 2012	218,865	6,066	45,641	118,005	(38,741)	1,120	350	252,773	604,079	54,757	658,836
Employee share-based compensation scheme - Value of employee services	-	-	-	-	-	-	68	-	68	-	68
Transfer to retained profits on realisation	-	-	(1,382)	-	-	-	-	1,382	-	-	-
Total comprehensive income for the period	-	-	-	7,301	(2,754)	-	-	3,349	7,896	(30)	7,866
Balance at 30 September 2012	218,865	6,066	44,259	125,306	(41,495)	1,120	418	257,504	612,043	54,727	666,770

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

For the financial period ended 30 September 2011

	Attributable to equity holders of the Company										
	Share capital \$'000	Capital reserves \$'000	Property revaluation reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000		Share-based payment reserve \$'000	Retained profits \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
					General reserve	Special reserve					
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
Effect of treasury shares in a subsidiary acquired from non-controlling interests	-	-	-	-	-	-	-	-	-	(1)	(1)
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(1,627)	(1,627)
Transfer to retained profits on realisation	-	-	(5,274)	-	-	-	-	5,274	-	-	-
Total comprehensive income for the period	-	-	-	9,162	(2,888)	-	-	14,684	20,958	(643)	20,315
Balance at 30 June 2011	218,568	6,066	76,625	68,345	(38,010)	1,120	-	143,768	476,482	52,303	528,785
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	(542)	(542)
Transfer to retained profits on realisation	-	-	(4,428)	-	-	-	-	4,428	-	-	-
Total comprehensive income for the period	-	-	-	7,640	2,034	-	-	12,232	21,906	956	22,862
Balance at 30 September 2011	218,568	6,066	72,197	75,985	(35,976)	1,120	-	160,428	498,388	52,717	551,105

Notes:

The Group has written back a total amount of \$4.55 million (2011: \$2.93 million) from deferred income 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 30 September 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
Employee share-based compensation scheme					
- Value of employee services	-	-	68	-	68
Dividends paid to equity holders of the Company	-	-	-	(5,742)	(5,742)
Total comprehensive income for the period	-	2,294	-	98,053	100,347
Balance at 30 June 2012	218,865	7,935	350	187,380	414,530
Employee share-based compensation scheme					
- Value of employee services	-	-	68	-	68
Total comprehensive losses for the period	-	1,417	-	(1,971)	(554)
Balance at 30 September 2012	218,865	9,352	418	185,409	414,044

For the financial period ended 30 September 2011

	Share capital	Fair value reserve	Share-based payment reserve	Retained profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2011	218,568	3,690	-	(28,753)	193,505
Total comprehensive income for the period	-	322	-	(176)	146
Balance at 31 March 2011	218,568	4,012	-	(28,929)	193,651
Total comprehensive income for the period	-	(93)	-	116,309	116,216
Balance at 30 June 2011	218,568	3,919	-	87,380	309,867
Total comprehensive losses for the period	-	(727)	-	154	(573)
Balance at 30 September 2011	218,568	3,192	-	87,534	309,294

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 ('000):

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	
30.09.2012	31.09.2011
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)

30.09.2012	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 30 September 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 income tax liabilities of \$4.55 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.

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)

(b) On a fully diluted basis (cents)

Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)

Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)

Group 9 Months		Group 3 Months	
01.01.2012 To 30.09.2012	01.01.2011 To 30.09.2011	01.07.2012 To 30.09.2012	01.07.2011 To 30.09.2011
11.35	5.73	0.58	2.13
11.34	5.73	0.58	2.13
574,116	573,920	574,122	573,920
574,401	573,920	574,433	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	
	30.09.2012	31.12.2011 (Restated)*	30.09.2012	31.12.2011
	Cents	Cents	Cents	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	106.61	86.00	72.12	55.42

* 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 above.

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 - 9 Months ended 30 September 2012 vs. 9 Months ended 30 September 2011

Food and Beverage division performance

The Food and Beverage ("F&B") revenue increased by 6.4% to \$304.96 million for the financial period ended 30 September 2012 as compared to \$286.56 million recorded in the corresponding period last year. The F&B division gross profit improved by 5.6% to \$109.82 million as compared to \$103.97 million recorded in the corresponding period last year and this is in line with higher revenue.

Overall, the F&B division recorded a lower net profit after tax attributable to equity holders of the Company of \$6.07 million in the current financial period as compared to net profit after tax of \$9.74 million in the corresponding period last year due to:

- Higher selling and distribution expenses of \$7.16 million mainly due to higher sales during the period. The Group's Malaysian subsidiary incurred higher distribution cost to Indonesia in the current period due to expansion of distribution and sales network in Indonesia as well as higher warehouse rental and pallet rental cost. In addition, staff related costs in Singapore and Malaysia increased as a result of salary increment and higher salesmen commission; and
- Higher administrative expenses of \$3.77 million mainly due to relocation cost incurred by the Malaysian subsidiary in connection with its consolidation of manufacturing facilities, additional SAP software depreciation and maintenance cost and higher staff related cost.

The higher expenses noted above were partially offset by:

- Higher gross profit of \$5.85 million which is in line with higher revenue; and
- Lower allocation to non-controlling shareholders of \$1.69 million due to lower profits earned by the non-wholly owned Malaysia subsidiary.

Property division performance

Revenue from Property division, which is recognised progressively, increased by \$92.08 million to \$151.22 million in the current period as compared to \$59.14 million recorded in the corresponding period last year. Net profit after tax improved from \$15.28 million in the corresponding period last year to \$53.70 million in the current financial period.

The property division recorded higher profit after tax of \$38.42 million in the current financial period due to additional \$50.36 million gross profit recognised arising from current period sales and progressive recognition of profits from sold units, partially offset by \$2.66 million higher marketing expenses and \$7.95 million additional tax charge due to higher profits.

Group performance

Overall, the group recorded net profit after tax attributable to equity holders of the Company of \$65.15 million in the current period, as compared to a net profit after tax of \$32.87 million in the corresponding period last year and the improved performance was primarily contributed by the property division.

8(b) Third Quarter Results - 3 Months ended 30 September 2012 vs. 3 Months ended 30 September 2011

Food and Beverage division performance

The F&B revenue increased by 3.7% to \$105.99 million for the quarter ended 30 September 2012 as compared to \$102.18 million recorded in the corresponding quarter last year. The F&B gross profit increased by \$1.44 million as a result of the higher revenue. The F&B division recorded net profit after tax attributable to equity holders of the Company of \$0.37 million in the current quarter as compared to \$2.47 million in the corresponding quarter last year mainly due to:

- Higher selling and distribution expenses of \$1.63 million mainly due to higher salary and transportation costs. Staff related costs in Singapore and Malaysia increased as a result of salary increment and higher salesmen commission. Higher warehouse and pallet rental costs were incurred in the current period in line with higher sales and inventory;
- Higher administrative expenses of \$1.20 million mainly due to higher salary related costs in Singapore and Malaysia, and additional SAP software depreciation and maintenance cost; and
- Higher tax expense of \$1.04 million which is line with higher operating profits in Malaysia and Singapore.

The higher expenses noted above were partially offset by:

- Higher gross profit of \$1.44 million which is in line with higher revenue; and
- Lower allocation to non-controlling shareholders of \$1.05 million due to lower profits earned by the non-wholly owned Malaysia subsidiary.

Property division performance

Revenue from Property division, which is recognised progressively, decreased by \$16.02 million to \$7.16 million in the current quarter as compared to \$23.18 million recorded in the corresponding quarter last year. Net profit after tax of \$2.35 million is recorded in the current quarter as compared to \$5.38 million net profit in the corresponding quarter last year.

The lower revenue and profit after tax is due to less sales and progressive recognition of profits from sold units in the current quarter as compared to the corresponding quarter last year.

Group performance

Overall, the Group recorded net profit after tax attributable to equity holders of the Company of \$3.35 million in the current quarter, as compared to a net profit after tax of \$12.23 million in the corresponding quarter last year. Apart from the \$3.03 million and \$2.09 million lower net profit after tax from Property and F&B divisions respectively, the following also contributed to the \$8.88 million lower net profit after tax attributable to equity holders of the Company:

- Absence of gain on liquidation of subsidiaries in the current quarter as compared to \$2.18 million gain in the corresponding quarter last year; and
- Net exchange loss of \$1.28 million in the current period as compared to net exchange gain of \$0.42 million in the corresponding quarter last year.

8(c) Balance Sheets – 30 September 2012 vs. 31 December 2011

Group

Financial assets, at fair value through profit or loss, decreased by \$8.76 million from \$13.11 million as at 31 December 2011 to \$4.35 million as at 30 September 2012 largely due to disposals in the current financial period.

Trade and other receivables increased by \$69.38 million from \$73.75 million as at 31 December 2011 to \$143.13 million as at 30 September 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 \$5.27 million from \$54.74 million as at 31 December 2011 to \$49.47 million as at 30 September 2012 mainly due to lower stock holding after the festive season.

Development properties decreased by \$62.92 million from \$118.56 million as at 31 December 2011 to \$55.64 million as at 30 September 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 \$65.33 million from \$102.72 million as at 31 December 2011 to \$168.05 million as at 30 September 2012 due to fair value gains of quoted investments in the current financial period.

Property, plant and equipment increased by \$8.48 million from \$126.44 million as at 31 December 2011 to \$134.92 million as at 30 September 2012. The increase was due to the purchase of \$18.50 million of property, plant and equipment in the current financial period largely connected to the Group's factories expansion and relocation plans, partially offset by current period depreciation charge of \$6.50 million and impairment of carrying value of old machines of \$0.62 million.

Investment properties decreased by \$3.83 million from \$63.68 million as at 31 December 2011 to \$59.85 million as at 30 September 2012 due to disposal of properties with a carrying value of \$1.58 million as well as unfavourable currency translation differences.

Trade and other payables increased by \$3.79 million from \$86.37 million as at 31 December 2011 to \$90.16 million as at 30 September 2012 mainly due to increased payables for raw materials purchases to build up inventory reserves in China in preparation for the relocation of manufacturing to the new plant in the first quarter of 2013, and more advertising and promotion activities in Malaysia.

Current income tax liabilities increased by \$17.54 million from \$3.09 million as at 31 December 2011 to \$20.63 million as at 30 September 2012 mainly due to additional taxable profits from Property division, for which a portion of the tax was previously provided under deferred income tax liabilities and is now transferred to current income tax liabilities. As a result, deferred income tax liabilities decreased by \$9.30 million from \$21.05 million as at 31 December 2011 to \$11.75 million as at 30 September 2012 mainly due to the transfer of deferred income tax liabilities pertaining to taxable profits from the Jardin project to current income tax liabilities.

Bank borrowings decreased by \$3.53 million from \$10.81 million as at 31 December 2011 to \$7.28 million as at 30 September 2012 mainly due to repayment of short term bank loans during the period.

Company

Cash and cash equivalents increased by \$48.93 million from \$2.05 million as at 31 December 2011 to \$50.98 million as at 30 September 2012 mainly due to cash dividend received from a subsidiary of \$98.65 million offset by advance made to a subsidiary of \$40.24 million, net repayment of \$2.00 million short term loan, and dividends paid to equity holders of the Company of \$5.74 million.

Trade and other receivables increased by \$43.03 million from \$14.25 million as at 31 December 2011 to \$57.28 million as at 30 September 2012. The increase was mainly due to additional advance made to a subsidiary.

Financial assets, available-for-sale, increased by \$5.02 million from \$8.81 million as at 31 December 2011 to \$13.83 million as at 30 September 2012 due to fair value gains of quoted investments in the current financial period.

8(d) Statement of Cash Flows

Year to Date - 9 months ended 30 September 2012 vs. 9 months ended 30 September 2011

The Group registered a net increase in cash and cash equivalents of \$64.41 million for the period ended 30 September 2012.

Net operating cash inflow for the Group is \$78.06 million, of which the Food and Beverage division and the Property division contributed \$16.64 million and \$61.42 million respectively.

Cash outflow from investing activities of \$4.45 million was mainly due to purchase of financial assets, at fair value through profit or loss of \$10.15 million and purchase of property, plant and equipment of \$18.50 million and acquisition of an associate of \$1.20 million, partially offset by proceeds from disposal of property, plant and equipment, investment properties and financial assets, at fair value through profit or loss of \$0.33 million, \$1.61 million and \$19.08 million respectively, and \$3.81 million of dividend income received.

Cash outflow from financing activities of \$9.21 million was mainly due to the dividends paid to equity holders of the Company of \$5.74 million and net repayment of bank borrowings of \$3.32 million.

Third Quarter - 3 months ended 30 September 2012 vs. 3 months ended 30 September 2011

The Group registered a net increase in cash of \$48.24 million for the quarter ended 30 September 2012.

Net cash operating inflow for the Group is \$43.72 million, of which the Food and Beverage division and the Property division contributed \$11.05 million and \$32.67 million respectively.

Cash inflow from investing activities of \$6.73 million was mainly due to proceeds from disposal of financial assets, at fair value through profit or loss of \$11.71 million and \$1.33 million of dividend income received, partially offset by purchase of property, plant and equipment of \$5.86 million and acquisition of an associate of \$1.20 million.

Cash outflow from financing activities of \$2.21 million was due to repayment of bank borrowings.

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 and increasing raw material costs.

The Group has decided to discontinue its manufacturing activities in its Shanghai subsidiary at the end of September 2012, and to consolidate its China production capacity in Guang Dong. The one-time cost arising from this discontinuation is approximately S\$1.0 million. This will help improve overall production capacity utilisation, reduce overheads and improve profitability.

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 28 units of development properties.

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

Corporate Proposals

- (i) On 30 May 2012, the Board of Directors of Yeo Hiap Seng Limited ("YHSL" or the "Company") announced that YHS (Singapore) Pte. Ltd. ("YHSS"), a wholly-owned subsidiary of the Company, has, by way of a letter dated 30 May 2012 to Yeo Hiap Seng (Malaysia) Berhad ("YHSM") notified YHSM of its intention to privatise YHSM by way of a selective capital reduction and repayment exercise ("Proposed SCR") pursuant to Section 64 of the Companies Act, 1965 of Malaysia (the "Malaysian Companies Act"). YHSM is listed on Bursa Malaysia Securities Berhad ("Bursa Securities") and as at 30 May 2012, YHSS holds 93,373,249 ordinary shares of par value RM1.00 each in the capital of YHSM ("YHSM Shares") representing approximately 61.147 per cent¹ of the issued and paid-up share capital of YHSM.

The Proposed SCR involves YHSM undertaking a selective capital reduction and a corresponding capital repayment to all the shareholders of YHSM, other than YHSS (the "Entitled YHSM Shareholders"), whose names appear in the record of depositors as at

¹ This is based on the total issued share capital of YHSM excluding treasury shares.

the close of business on an entitlement date to be determined at a later date, save for 1,000,000 YHSM Shares which are then held by YHSS.

Pursuant to the Proposed SCR, the Entitled YHSM Shareholders will receive a total capital repayment of RM213,577,632 (excluding treasury shares), which represents a cash amount of RM3.60 ("Proposed Cash Amount") for each YHSM Share held by the Entitled YHSM Shareholders on the Entitlement Date. YHSS will waive its entitlement to the repayment of capital pursuant to the Proposed SCR.

As at 30 May 2012, YHSM has an issued and paid-up share capital of RM152,700,369 comprising 152,700,369 YHSM Shares (excluding treasury shares). In view that the number of YHSM Shares to be cancelled is higher than the existing issued and paid-up share capital of YHSM as at 30 May 2012, a bonus issue of up to 61,877,263 YHSM Shares on a pro rata basis to all shareholders of YHSM will be proposed and undertaken by YHSM to increase the paid-up share capital of YHSM up to a level which is sufficient for the capital reduction.

Following the issuance of new YHSM Shares pursuant to the bonus issue, all YHSM Shares will be cancelled, save for 1,000,000 YHSM Shares held by YHSS. The issued and paid-up share capital of YHSM will be reduced by way of cancellation of YHSM Shares on the basis of one YHSM Share to be cancelled for every RM1.00 paid by YHSM to the Entitled YHSM Shareholders as capital repayment. Accordingly, as at 30 May 2012, 213,577,632 YHSM Shares will be cancelled pursuant to the Proposed SCR. The treasury shares currently held by YHSM shall also be cancelled.

On 27 September 2012, the special resolution in respect of the proposed SCR tabled at YHSM's EGM was approved and carried.

On 22 October 2012, YHSM filed a petition with the High Court at Kuala Lumpur for an order to confirm the Proposed SCR pursuant to Section 64 of the Act. The court hearing has been set on 18 December 2012. Upon completion of the Proposed SCR, YHSM will be wholly owned by YHSS. Accordingly, YHSS does not intend to maintain the listing status of YHSM on the Main Market of Bursa Securities. Further details on developments relating to the Proposed SCR will be announced in due course.

- (ii) On 31 July 2012, the Group completed the acquisition of 1,500,000 ordinary shares of RM1.00 each in TM Foods Sdn Bhd, representing 30% of the total issued and paid-up share capital of TM Foods Sdn Bhd for a total cash consideration of RM3 million. TM Foods Sdn Bhd is an associated company of the Group's Malaysian subsidiary.

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

- (i) The Board of Directors of YHSM announced on 2 February 2010 that the Jakarta High Court had decided in favour of YHSM and its subsidiary, PT YHS Indonesia regarding a suit filed by PT Kharisma Inti Persada ("the Plaintiff"), claiming for approximately \$32 million (Rupiah 219.9 billion) for an alleged breach of an alleged agreement and an alleged distributor's appointment. YHSM has on 23 March 2010 received a formal

11. Contingent Liability (continued)

notification from the Central Jakarta District Court that the Plaintiff has filed an appeal against the Jakarta High Court's decision and YHSM had, on 5 April 2010, filed a counter memorandum to the Court.

The Board of Directors announced on 3 July 2012 that YHSM had received a formal notification from the Central Jakarta District Court that the Jakarta Supreme Court has rejected the Plaintiff's appeal and decided the case in favour of YHSM and PT YHS Indonesia. As at the date of this report, the Plaintiff has not filed an appeal for judicial review.

- (ii) The Board of Directors of YHSM announced on 11 March 2010 that the High Court of Shah Alam has on 10 March 2010 vide the proceedings under Civil Suit no. MT3-22-936-2003 granted judgement against YHSM in favour of F.Y. Sdn Bhd ("the Plaintiff"), for the alleged breach of an agreement. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. YHSM filed an appeal with the Court of Appeal on 28 September 2010. The Court of Appeal upon hearing on 27 March 2012, granted judgement in favour of YHSM and allowed YHSM's appeal with costs. On 2 April 2012, the Plaintiff withdrew its application for assessment of damages at the High Court.

On 26 April 2012, the Plaintiff filed an application for leave to appeal to the Federal Court. The application is still pending hearing, which has not been fixed by the Federal Court.

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/recommended, 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
7 November 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 30 September 2012 to be false or misleading in any material respect.

On behalf of the Directors



TJONG YIK MIN
Director

7 November 2012



YAP NG SENG
Director