QAF Limited

(Company Registration No : 195800035D)

Full Year Unaudited Financial Statements for the Year Ended 31 December 2014

1(a) The following statements in the form presented in the group's most recently audited annual financial statements:-

(i) An income statement and statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year:-

Income Statement (in Singapore Dollars)	Group		
	Full year ended		
		*(Restated)	
	31/12/2014	31/12/2013	+ / (-)
	S$'000	S$'000	%
Revenue	1,023,149	1,024,160	(0)
Costs and expenses			
Costs of materials	546,541	558,539	(2)
Staff costs	227,687	229,484	(1)
Amortisation and depreciation	36,888	38,315	(4)
Repairs and maintenance	32,791	31,748	3
Utilities	33,364	34,636	(4)
Other operating expenses	84,720	85,165	(1)
Total costs and expenses	961,991	977,887	(2)
Profit from operating activities	61,158	46,273	32
Finance costs	(3,241)	(4,058)	(20)
Profit before taxation	57,917	42,215	37
Taxation			
- Current year	(11,555)	(10,671)	8
- Over provision in prior years	268	288	(7)
	(11,287)	(10,383)	9
Profit after taxation	46,630	31,832	46
Attributable to:			
Owners of the parent	45,081	30,186	49
Non-controlling interests	1,549	1,646	(6)
	46,630	31,832	46

* Relates to retrospective effect upon adoption of FRS 110 *Consolidated Financial Statements* and Revised FRS 27 *Separate Financial Statements* (see Section 5 for further details).

n.m. = not meaningful

(i) Statement of Comprehensive Income

	Group	
	Full year ended	
		*(Restated)
	31/12/2014	31/12/2013
	S$'000	S$'000
Profit after taxation	46,630	31,832
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss:		
- Actuarial (loss)/gain on defined benefit plans	(209)	2,640
Items that may be reclassified subsequently to profit or loss:		
- Currency translation arising on consolidation	(6,586)	(22,095)
Other comprehensive income for the year, net of tax	(6,795)	(19,455)
Total comprehensive income for the year	39,835	12,377
Total comprehensive income attributable to:		
Owners of the parent	38,571	11,486
Non-controlling interests	1,264	891
	39,835	12,377

* Relates to retrospective effect upon adoption of FRS 110 *Consolidated Financial Statements* and Revised FRS 27 *Separate Financial Statements* (see Section 5 for further details).

Notes to the Income Statement

Please see Section 8 for commentaries on the Income Statement.

(ii) The following items, if significant, must be included in the income statement or in the notes to the income statement for current financial period reported on and the corresponding period of the immediately preceding financial year:-

The Group's profit from operating activities is stated after (charging) / crediting:

	Group		
	Full year ended		+ / (-)
		*(Restated)	
	31/12/2014	31/12/2013	%
	S$'000	S$'000	
Other income including interest income	6,226	6,135	1
Allowance for doubtful debts charged and bad debts written off, net	(539)	(87)	520
Allowance for inventory obsolescence charged	(261)	(284)	(8)
Foreign exchange loss	(1,863)	(5,408)	(66)
Gain on disposal of property, plant & equipment & assets classified as held for sale	2,369	273	768

* Relates to retrospective effect upon adoption of FRS 110 *Consolidated Financial Statements* and Revised FRS 27 *Separate Financial Statements* (see Section 5 for further details).

1(b)(i) A statement of financial position for the company and group, together with a comparative statement as at the end of the immediately preceding financial year:-

Statement of Financial Position	**Group**		**Company**	
(in Singapore Dollars)	31/12/2014 S$'000	* (Restated) 31/12/2013 S$'000	31/12/2014 S$'000	31/12/2013 S$'000
Current assets				
Biological assets	55,878	59,676	-	-
Inventories	78,114	83,010	-	-
Trade receivables	95,303	89,757	-	-
Other receivables	13,915	15,956	57,895	51,895
Tax recoverable	1,312	817	-	-
Short-term investments	1,309	2,386	-	2,000
Cash and cash equivalents	92,389	79,498	22,443	19,037
Assets classified as held for sale	-	2,487	-	-
	338,220	333,587	80,338	72,932
Non-current assets				
Property, plant & equipment	291,569	297,327	2,241	2,398
Investment properties	26,278	27,131	-	-
Subsidiaries	-	-	98,973	98,718
Advances to subsidiaries	-	-	102,157	111,268
Pension assets	2,598	3,196	-	-
Long-term investments	17,143	10,593	16,114	9,057
Intangibles	246	2,129	1,884	2,072
Deferred tax assets	15,060	14,258	-	-
	352,894	354,634	221,369	223,513
Total assets	691,114	688,221	301,707	296,445
Current liabilities				
Trade payables	88,256	94,870	50	33
Other payables	60,426	54,651	7,876	6,469
Short-term borrowings	62,415	74,201	-	4,960
Long-term loans and finance leases - current portion	5,460	4,745	-	-
Provision for taxation	5,029	3,909	1,206	1,317
	221,586	232,376	9,132	12,779
Non-current liabilities				
Other payables	9,960	8,737	-	-
Long-term loans and finance leases	10,600	12,587	-	-
Deferred tax liabilities	12,139	10,843	353	384
	32,699	32,167	353	384
Total liabilities	254,285	264,543	9,485	13,163
Net assets	436,829	423,678	292,222	283,282
Capital and reserves				
Share capital	254,520	250,096	254,520	250,096
Reserves	157,848	146,684	37,702	33,186
Equity attributable to owners of the parent	412,368	396,780	292,222	283,282
Non-controlling interests	24,461	26,898	-	-
Total equity	436,829	423,678	292,222	283,282

* Relates to retrospective effect upon adoption of FRS 110 *Consolidated Financial Statements* and Revised FRS 27 *Separate Financial Statements* (see Section 5 for further details).

Please see Section 8 for commentaries on the Group's Statement of Financial Position.

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

(a) Amount repayable within one year including those on demand

As at 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
24,166	43,709	25,862	53,084

(b) Amount repayable after one year

As at 31/12/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
7,460	3,140	11,660	927

(c) Details of any collaterals

At the end of the financial year, property, plant & equipment, inventories and fixed deposits with total net book values of $38,975,000 (as at 31/12/2013: $44,217,000) were pledged to secure certain credit facilities for the Group.

1(c) A statement of cash flows for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year:-

	Group	
	Full year ended	
		* (Restated)
Statement of Cash Flows	31/12/2014	31/12/2013
(in Singapore Dollars)	S$'000	S$'000
Cash flows from operating activities:		
Profit before taxation	57,917	42,215
Adjustments for:		
Amortisation and depreciation	36,888	38,315
Gain on disposal of property, plant & equipment & assets classified as held for sale	(2,369)	(273)
Fair value adjustment on investment securities	24	8
Gain on disposal of investment securities	(28)	-
Fair value changes on biological assets	(24)	121
Intangibles written off	1,559	-
Allowance for doubtful debts charged and bad debts written off, net	539	87
Interest expense	3,241	4,058
Dividend and interest income	(1,618)	(1,202)
Exchange differences	1,178	4,254
Operating profit before working capital changes	97,307	87,583
Increase in receivables	(7,547)	(4,462)
Decrease/(increase) in inventories and biological assets	4,500	(6,108)
(Decrease)/increase in payables	(353)	14,940
Cash from operations	93,907	91,953
Interest paid, net	(1,643)	(2,958)
Income tax paid	(9,581)	(9,587)
Net cash from operating activities	**82,683**	**79,408**
Cash flows from investing activities:		
Purchase of property, plant & equipment and investment properties	(37,705)	(41,384)
Progress payment for purchase of property, plant & equipment	-	(2,624)
Proceeds from disposal of property, plant & equipment & assets classified as held for sale	9,591	2,105
Purchase of investment securities	(9,302)	(3,498)
Proceeds from redemption/sale of investment securities	3,714	6,058
Dividends received from investment securities	34	48
Net cash used in investing activities	**(33,668)**	**(39,295)**
Cash flows from financing activities:		
Proceeds from issuance of share capital	402	718
Dividends paid during the year	(23,385)	(7,798)
Dividends paid to non-controlling interests	(1,359)	(3,776)
Repayment of long-term borrowings	(3,632)	(3,486)
Repayment of short-term borrowings	(9,865)	(6,286)
Proceeds from long-term loan from a non-controlling interest	2,250	-
Repayment of exchangeable bond upon maturity	-	(10,000)
Capital contribution by non-controlling interest	-	2,864
Net cash used in financing activities	**(35,589)**	**(27,764)**
Net increase in cash and cash equivalents	13,426	12,349
Cash and cash equivalents at beginning of year	79,498	69,978
Effect of exchange rate changes on cash and cash equivalents	(968)	(2,829)
Cash and cash equivalents at end of year (Note A)	91,956	79,498

* Relates to retrospective effect upon adoption of FRS 110 *Consolidated Financial Statements* and Revised FRS 27 *Separate Financial Statements* (see Section 5 for further details).

1(c) Note A : Cash and cash equivalents

	Group	
		(Restated)
	31/12/2014	31/12/2013
	$'000	$'000
Cash and deposits	92,389	79,498
Less: Fixed deposits pledged as security for credit facilities granted to a subsidiary	(433)	-
	91,956	79,498

1(d)(i) A statement for the company and group showing all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year:-

Statement of Changes in Equity
(In Singapore Dollars)

Group	Share capital $'000	Revaluation reserve $'000	Capital reserve $'000	Revenue reserve $'000	Foreign currency translation reserve $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2014							
- as previously reported	250,096	2,215	17,941	147,474	(20,946)	26,567	423,347
- effects of adopting FRS 110 & Revised FRS 27	-	-	-	-	-	331	331
- as restated	250,096	2,215	17,941	147,474	(20,946)	26,898	423,678
Total comprehensive income for the year							
Net profit for the year	-	-	-	45,081	-	1,549	46,630
Other comprehensive income							
Currency translation arising on consolidation	-	-	-	-	(6,285)	(301)	(6,586)
Transfer between reserves	-	(48)	-	48	-	-	-
Actuarial (loss)/gain on defined benefit plans	-	-	-	(225)	-	16	(209)
Other comprehensive income for the year, net of tax	-	(48)	-	(177)	(6,285)	(285)	(6,795)
Total comprehensive income for the year	-	(48)	-	44,904	(6,285)	1,264	39,835
Transactions with owners in their capacity as owners							
Contributions by and distributions to owners							
Issuance of ordinary shares from exercise of options	402	-	-	-	-	-	402
Issuance of ordinary shares in lieu of cash dividends	4,022	-	-	-	-	-	4,022
Dividends	-	-	-	(27,407)	-	(3,701)	(31,108)
Total transactions with owners in their capacity as owners	4,424	-	-	(27,407)	-	(3,701)	(26,684)
Balance at 31 December 2014	254,520	2,167	17,941	164,971	(27,231)	24,461	436,829

1(d)(i)

Group	Share capital $'000	Revaluation reserve $'000	Capital reserve $'000	Revenue reserve $'000	Foreign currency translation reserve $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2013							
- as previously reported	230,731	2,263	17,941	141,049	390	23,671	416,045
- effects of adopting FRS 110 & Revised FRS 27	-	-	-	-	-	120	120
- as restated	230,731	2,263	17,941	141,049	390	23,791	416,165
Total comprehensive income for the year							
Net profit for the year	-	-	-	30,186	-	1,646	31,832
Other comprehensive income							
Currency translation arising on consolidation	-	-	-	-	(21,336)	(759)	(22,095)
Transfer between reserves	-	(48)	-	48	-	-	-
Actuarial gain on defined benefit plans	-	-	-	2,636	-	4	2,640
Other comprehensive income for the year, net of tax	-	(48)	-	2,684	(21,336)	(755)	(19,455)
Total comprehensive income for the year	-	(48)	-	32,870	(21,336)	891	12,377
Transactions with owners in their capacity as owners							
Contributions by and distributions to owners							
Issuance of ordinary shares from exercise of options	718	-	-	-	-	-	718
Issuance of ordinary shares in lieu of cash dividends	18,647	-	-	-	-	-	18,647
Capital contribution by non-controlling interest	-	-	-	-	-	3,596	3,596
Dividends	-	-	-	(26,445)	-	(1,380)	(27,825)
Total transactions with owners in their capacity as owners	19,365	-	-	(26,445)	-	2,216	(4,864)
Balance at 31 December 2013	250,096	2,215	17,941	147,474	(20,946)	26,898	423,678

Company	Share capital $'000	Capital reserve $'000	Revenue reserve $'000	Total equity $'000
Balance at 1 January 2014	250,096	1,705	31,481	283,282
Net profit for the year, representing total comprehensive income for the year	-	-	31,923	31,923
Contributions by and distributions to owners				
Issuance of ordinary shares from exercise of options	402	-	-	402
Issuance of ordinary shares in lieu of cash dividends	4,022	-	-	4,022
Dividends	-	-	(27,407)	(27,407)
Total transactions with owners in their capacity as owners	4,424	-	(27,407)	(22,983)
Balance at 31 December 2014	254,520	1,705	35,997	292,222

1(d)(i)

Company	Share capital $'000	Capital reserve $'000	Revenue reserve $'000	Total equity $'000
Balance at 1 January 2013	230,731	1,705	37,731	270,167
Net profit for the year, representing total comprehensive income for the year	-	-	20,195	20,195
Contributions by and distributions to owners				
Issuance of ordinary shares from exercise of options	718	-	-	718
Issuance of ordinary shares in lieu of cash dividends	18,647	-	-	18,647
Dividends	-	-	(26,445)	(26,445)
Total transactions with owners in their capacity as owners	19,365	-	(26,445)	(7,080)
Balance at 31 December 2013	250,096	1,705	31,481	283,282

1(d)(ii) Details of any changes in the company's issued share capital.

For the year ended 31 December 2014, the issued and paid-up share capital of the Company was increased from 546,494,994 shares to 552,304,086 shares due to the allotment and issue of 5,059,092 ordinary shares arising from the application of QAF Scrip Dividend Scheme in respect of the final dividend for the financial year ended 31 December 2013, as well as the allotment and issue of 750,000 ordinary shares pursuant to the exercise by option holders.

The number of shares that may be issued on conversion of all outstanding options were as follows:

	As at 31/12/2014	As at 31/12/2013
Outstanding options	2,905,000	3,975,000

1(d)(iii) Total number of issued shares excluding treasury shares.

	As at 31/12/2014	As at 31/12/2013
Total number of issued shares (excluding treasury shares)	552,304,086	546,494,994

1(d)(iv) 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 are no treasury shares held by the Company during the year under review.

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).

N.A.

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

The Group has applied the same accounting policies and methods of computation as in the Group's audited financial statements for the previous year ended 31 December 2013. However, the Group adopted new and revised Financial Reporting Standards ("FRS") and interpretations that are mandatory for financial years beginning on or after 1 January 2014. The adoption of these standards and interpretations did not have any effect on the financial performance or position of the Group and the Company except for FRS 110 *Consolidated Financial Statements* and Revised FRS 27 *Separate Financial Statements*.

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.

FRS 110 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 110 will require management to exercise significant judgment to determine which entities are controlled, and therefore are required to be consolidated by the Group, compared with the requirements that were in FRS 27. The changes in accounting policies have been applied retrospectively. The effects of adoption on the financial statements are as follows:

	As at 31/12/2013 $'000
(Decrease)/increase in:	
Consolidated statement of financial position	
Other receivables	(112)
Tax recoverable	344
Cash and cash equivalents	290
Property, plant & equipment	5,296
Associates	(1,862)
Advances to associates	(3,389)
Long-term investments	27
Deferred tax assets	155
Other payables - current	144
Other payables - non-current	274
Non-controlling interests	331

5.

	Full year ended 31/12/2013 $'000
Consolidated income statement	
Decrease in revenue	(54)
Increase in staff costs	(1,146)
Increase in amortisation and depreciation	(283)
Increase in repairs and maintenance	(192)
Increase in utilities	(507)
Decrease in other operating expenses	2,491
Decrease in share of profits of associates	(139)
Increase in profit before taxation	170
Decrease in taxation	39
Increase in profit for the year	209
Increase in profit for the year attributable to:	
Non-controlling interests	209
Consolidated statement of comprehensive income	
Increase in actuarial gain on defined benefit plans, net of tax	7
Decrease in currency translation arising on consolidation	(82)
Increase in share of other comprehensive income of associates	77
Increase in other comprehensive income for the year, net of tax attributable to non-controlling interests	2

The effect of this restatement is not significant and consequently a restated Group Balance Sheet at the start of the previous reporting period has not been presented.

6. Earnings per ordinary share ("EPS") of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year:

	Full year ended 31/12/2014	31/12/2013
Basic EPS	8.2 cents	5.6 cents
Diluted EPS	8.2 cents	5.6 cents
Number of shares used for the calculation of:		
i) Basic EPS Weighted average number of ordinary shares in issue	549,774,000	535,886,000
ii) Diluted EPS Weighted average number of ordinary shares in issue	550,901,000	537,481,000

7. Net asset value for the company and group per ordinary share based on issued share capital of the company at the end of the period reported on:

	As at 31/12/2014	As at 31/12/2013
Group	74.7 cents	72.6 cents
QAF Limited	52.9 cents	51.8 cents
Number of shares used for the calculation of Net asset value:	552,304,086	546,494,994

8. Review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

INCOME STATEMENT

Group revenue decreased marginally by $1 million to $1,023 million for the financial year ended 31 December 2014 ('FY 2014') from $1,024 million for the financial year ended 31 December 2013 ('FY 2013'). All of the Group's Bakery operations in Singapore, Malaysia, the Philippines and Australia achieved increases in sales through the launch of new products and increased market shares. The Group's Trading & Logistics segment achieved higher sales from its food service and export operations as well as from increased rental income from its cold storage operations. In terms of Australian dollars, Rivalea (Australia) Pty Ltd ('Rivalea'), the Group's fully integrated meat producer which is located in Australia, also achieved increases in sales. However, the lower average exchange rate of the Australian dollar against the Singapore dollar in FY 2014 as compared to FY 2013 resulted in lower sales in terms of Singapore dollars even though the company achieved higher sales in Australian dollar terms. This in turn has led to the marginal decrease in the overall Group revenue for FY 2014 as compared to that for FY 2013.

Costs of Materials decreased by 2% to $546.5 million in FY 2014 as compared to $558.5 million in FY 2013 mainly due to the lower cost of feed for Rivalea.

Amortisation and Depreciation declined by 4% to $36.9 million in FY 2014 due to lower overall depreciation charges in the Group's Bakery division. Repairs and Maintenance costs increased by 3% to $32.8 million in FY 2014 due to higher repairs of production facilities and distribution vehicles in the Group's Bakery operations as a result of increased production and distribution activities. Utilities expense fell by 4% to $33.4 million in FY 2014 and this is attributable to reduced utility rates as well as reduced utilisation in certain operating subsidiaries in FY 2014.

Other Operating Expenses decreased by $0.4 million to $84.7 million in FY 2014, and this is mainly attributable to the lower foreign exchange loss of $1.9 million in FY 2014 as compared to a foreign exchange loss of $5.4 million in FY 2013. This lower unrealised foreign exchange loss pertains mainly to the translation of the Group's Australian dollar denominated assets into Singapore dollars. These Australian dollar denominated assets have been affected by the lower exchange rate of the Australian dollar against the Singapore dollar in FY 2014 as compared to that of FY 2013. However, there were higher Distribution and Transportation expenses due to higher diesel and petrol prices faced by certain bakery operations in FY 2014.

Group Finance Costs (interest expense) decreased by 20% to $3.2 million in FY 2014 as compared to $4.1 million in FY 2013 due to lower borrowings.

8. Review of the performance of the group (cont'd)

INCOME STATEMENT (cont'd)

Group Profit Before Taxation ("PBT") increased by a significant 37% from $42.2 million in FY 2013 to $57.9 million in FY 2014. All of the Group's business segments achieved increased profitability. In particular, Rivalea's performance improved significantly as the company achieved higher overall prices through a better product mix as well as from productivity gains and lower raw material costs. All of the Group's Bakery operations in Singapore, Malaysia, the Philippines and Australia achieved increased profitability due to increased sales, increased efficiencies and higher overall selling prices. The Trading & Logistics segment also saw higher profits due to increased sales as well as increased rental income from its cold storage operations.

Group Profit After Taxation ('PAT') increased by 46% to $46.6 million for FY 2014 as compared to $31.8 million for FY 2013. The increase in Group PAT is higher than the increase in Group PBT as the profits in a certain subsidiary are presently not liable for tax due to the subsidiary's existing tax benefits structure.

Group Profit Attributable to Owners of the Parent increased by a substantial 49% to $45.1 million in FY 2014 as compared to $30.2 million in FY 2013.

STATEMENT OF FINANCIAL POSITION

The decreases in biological assets and inventories are mainly caused by the translation of Rivalea's Australian dollar denominated assets into Singapore dollars as the Australian dollar had depreciated against the Singapore dollar at the end of financial year ended 31 December 2014 ('FYE 2014') as compared to the end of financial year ended 31 December 2013 ('FYE 2013').

Trade receivables increased by 6% mainly as a result of the strong festive sales towards the end of FYE 2014 and some changes in the customer mix.

Other receivables decreased by 13% to $13.9 million as at the end of FYE 2014 as compared to $16.0 million as at the end of FYE 2013. This is mainly attributable to the reclassification of down-payments made by the Group in FYE 2013 for its purchases of new bakery production factilities and equipment to Property, Plant and Equipment upon the completion of the installation in FYE 2014.

Short-Term and Long-Term Investments relates mainly to the Company's and the Group's investments in certain bonds and market-linked notes. These investments were made so as to achieve better returns for the Group. Total Investments increased by 42% during the year to $18.5 million at year-end FY 2014.

Short-Term Borrowings and total Long-Term Loans declined by 16% and 7% to $62.4 million and $16.1 million, respectively, as at FYE 2014. These reductions are largely due to the repayment of loans.

Other Payables, Non-current, increased by 14% to $10.0 million as at end of FYE 2014, when compared to FYE 2013, due mainly to additional provision for statutory long service leave and retirement benefits pertaining to the Group's overall operations.

The performance review of the Group's business segments is as follows:

BAKERY

	2014	2013	Increase/(decrease)	
	$'million	$'million	$'million	%
Segment revenue	510.7	497.9	12.8	3
Segment results	54.0	52.1	1.9	4

The Bakery segment achieved a 3% overall increase in revenue to $510.7 million for FY 2014 as compared to $497.9 million for FY 2013. The increase is due to the successful launch of new products, increased production capacities, increased market shares and higher overall selling prices

Operating results increased 4% to $54.0 million for FY 2014 as compared to $52.1 million for FY 2013. This was achieved from increased profitability due to increased sales, increased efficiencies and economies of scale. However, the Group's new bakery operation in Fujian, China, incurred losses during the year. The Fujian bakery operation commenced operations in late FY 2014 and has incurred certain start-up costs as well as costs related to market development.

8. Review of the performance of the group (cont'd)

The performance review of the Group's business segments is as follows (cont'd):

PRIMARY PRODUCTION

	2014	2013	Increase/(decrease)	
	$'million	$'million	$'million	%
Segment revenue	401.7	423.7	(22.0)	(5)
Segment results	10.2	2.3	7.9	343

The Group's Primary Production segment comprises Rivalea, a fully integrated meat production business in Australia which is involved in stockfeed milling, livestock farming and production, slaughterhouse operations, meat cutting and deboning as well as distribution.

The 5% decline in segment revenue is attributable to the translation effect of a higher Singapore dollar exchange rate versus the Australian dollar. In Australian Dollar terms, segment revenue saw a slight increase in FY 2014 against FY 2013.

Operating profits increased more than threefold by 343% to $10.2 million in FY 2014 as compared to $2.3 million in FY 2013 as the company achieved higher overall prices through a better product mix as well as from productivity gains and lower raw material costs.

TRADING & LOGISTICS

	2014	2013	Increase/(decrease)	
	$'million	$'million	$'million	%
Segment revenue	102.0	97.1	4.9	5
Segment results	2.9	2.5	0.4	16

Sales revenue from the Group's Trading & Logistics segment increased by 5% to $102.0 million in FY 2014 from $97.1 million in FY 2013. The increase is mainly attributable to increased sales by the Group's wholesale and trading company, Ben Foods (S) Pte Ltd, in its food service and export businesses as well as from increased rental income from cold storage operations.

Operating profits for the Trading & Logistics segment increased by 16% to 2.9 million in FY 2014 as compared to $2.5 million in FY 2013 due to increased sales as well as increased rental income from its cold storage operations.

INVESTMENTS & OTHERS

	2014	2013	Increase/(decrease)	
	$'million	$'million	$'million	%
Segment revenue	34.4	30.8	3.6	12
Segment results	2.5	0.9	1.6	178

The increases in segment revenue and segment results were mainly due to the sale of the Group's non-core dairy business in Australia.

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

The Group's revenue and profits are in line with prior announcements.

10. A commentary at the date of 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.

Generally, the regional economies are expected to experience slower growth in 2015. Foreign exchange rates of regional currencies are also volatile and are trending downward vis-à-vis the US dollar. However, the Group's Bakery operations and the Primary Production segment are expected to achieve sales increases in terms of their respective domestic currencies in the markets that they operate in. Sales in the other business segments are also expected to be satisfactory.

Despite the challenging economic conditions, the Group is expected to achieve comparable or a better level of profitability for the first quarter ending 31 March 2015 as compared to the first quarter ended 31 March 2014.

11. Dividends

(a) Current financial period reported on

Any dividends declared? Yes

	Interim (paid)	Proposed Final Dividend
Dividend type	Cash	Cash or scrip
Dividend rate	1 cent per ordinary share	4 cents per ordinary share
Tax rate	Exempt 1 tier	Exempt 1 tier

QAF Limited Scrip Dividend Scheme under which shareholders may elect to receive dividends in the form of scrip in lieu of cash will be applicable to the Proposed Final Dividend for FY 2014.

(b) Corresponding period of immediate financial year

Any dividends declared? Yes

	Interim	Final Dividend
Dividend type	Cash	Cash or scrip
Dividend rate	1 cent per ordinary share	4 cents per ordinary share
Tax rate	Exempt 1 tier	Exempt 1 tier

(c) Date payable To be announced later

(d) Book closing date To be announced later

12. If no dividend has been declared or recommended, a statement to the effect.

N.A.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have an IPT general mandate for the current financial year 2014.

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the company's most recently audited financial statements, with comparative information for the immediately preceding year.

Segment Information
(In Singapore Dollars)

	Bakery $'000	Primary production $'000	Trading & Logistics $'000	Investments & others $'000	Eliminations $'000	Consolidated $'000
Revenue and expenses 2014						
Revenue from external customers	506,479	396,961	101,629	5,263	-	1,010,332
Other revenue from external customers	4,189	3,693	300	3,051	-	11,233
Inter-segment revenue	-	1,080	51	26,097	(27,228)	-
	510,668	401,734	101,980	34,411	(27,228)	1,021,565
Unallocated revenue						1,584
Total revenue						1,023,149
Segment results	54,024	10,247	2,928	2,498	-	69,697
Unallocated revenue						1,584
Unallocated expenses						(10,123)
Profit from operating activities						61,158
Finance costs						(3,241)
Profit before taxation						57,917
Taxation						(11,287)
Profit after taxation						46,630
Revenue and expenses 2013						
Revenue from external customers	493,788	418,620	96,730	4,740	-	1,013,878
Other revenue from external customers	4,125	3,887	274	842	-	9,128
Inter-segment revenue	-	1,195	96	25,221	(26,512)	-
	497,913	423,702	97,100	30,803	(26,512)	1,023,006
Unallocated revenue						1,154
Total revenue						1,024,160
Segment results	52,137	2,283	2,525	918	-	57,863
Unallocated revenue						1,154
Unallocated expenses						(12,744)
Profit from operating activities						46,273
Finance costs						(4,058)
Profit before taxation						42,215
Taxation						(10,383)
Profit after taxation						31,832

14. Segment Information (cont'd)

(In Singapore Dollars)

	Bakery $'000	Primary production $'000	Trading & Logistics $'000	Investments & others $'000	Consolidated $'000
Assets and liabilities 31 December 2014					
Segment assets	307,718	244,704	64,822	57,498	674,742
Deferred tax assets					15,060
Tax recoverable					1,312
Total assets per consolidated statement of financial position					691,114
Segment liabilities	91,093	58,051	11,699	2,241	163,084
Provision for taxation					5,029
Deferred tax liabilities					12,139
Bank borrowings					74,033
Total liabilities per consolidated statement of financial position					254,285
Assets and liabilities 31 December 2013					
Segment assets	286,414	260,688	65,113	60,931	673,146
Deferred tax assets					14,258
Tax recoverable					817
Total assets per consolidated statement of financial position					688,221
Segment liabilities	84,940	60,476	13,094	2,181	160,691
Provision for taxation					3,909
Deferred tax liabilities					10,843
Bank borrowings					89,100
Total liabilities per consolidated statement of financial position					264,543
Other segment information 2014					
Expenditure for non-current assets	28,073	8,883	1,405	2,746	41,107
Amortisation and depreciation	24,994	9,373	1,797	724	36,888
Allowance for inventory obsolescence charged	36	9	216	-	261
Allowance for doubtful debts charged/ (written-back) and bad debts written off, net	257	289	(7)	-	539
Other segment information 2013					
Expenditure for non-current assets	27,745	8,130	1,767	587	38,229
Amortisation and depreciation	26,037	9,675	1,750	853	38,315
Allowance for inventory obsolescence charged	162	14	108	-	284
Allowance for doubtful debts charged/ (written-back) and bad debts written off, net	42	532	(29)	(458)	87

14. Segment Information (cont'd)

(In Singapore Dollars)

	Revenue		*Non-current assets*	
		(Restated)		(Restated)
	2014	2013	2014	2013
	$'000	$'000	$'000	$'000
Singapore	168,263	165,170	47,040	46,816
Malaysia	302,382	296,461	110,939	114,201
Australia	422,370	438,621	129,585	139,686
Philippines	120,669	114,566	25,740	25,629
Other countries	9,465	9,342	4,789	255
	1,023,149	1,024,160	318,093	326,587

15. In the review of performance, the factors leasing to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Section 8.

16. A breakdown of sales as follows:

	Group		
		(Restated)	
	2014	2013	+ / (-)
	$'000	$'000	%
Revenue reported for first half year	496,631	509,884	(3)
Profit after tax before deducting non-controlling interests for the first half year	23,313	15,396	51
Revenue reported for second half year	526,518	514,276	2
Profit after tax before deducting non-controlling interests for the second half year	23,317	16,436	42

17. A breakdown of the total annual dividend for the company's latest full year and its previous full year as follows:-

	Full Year	Full Year
	2014	2013
	$'000	$'000
Ordinary dividend	27,615	27,342
Preference dividend	-	-
Total	27,615	27,342

18. Persons occupying managerial positions who are related to the directors, chief executive officer or substantial shareholder

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lin Kejian	36	Son of Mr Andree Halim (Vice Chairman and substantial shareholder of the Company) Nephew of Mr Anthoni Salim (Substantial shareholder of the Company)	Mr Lin was the Operations Director of the Company from 1 October 2010. He has been re-designated as the Deputy Group Managing Director of the Company with effect from 15 September 2014.	The Deputy Group Managing Director, in conjunction with the Group Managing Director, is responsible for the overall management of the operations and affairs of the QAF Group.

BY ORDER OF THE BOARD

Ms Lee Woan Ling
Company Secretary
26 February 2015