

Unaudited Financial Statements and Dividend Announcement for the period ended 30 September 2016

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	
	01.01.2016 to 30.09.2016	01.01.2015 to 30.09.2015	01.07.2016 to 30.09.2016	01.07.2015 to 30.09.2015
	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	318,524	347,901	94,680	109,484
Cost of sales	(196,109)	(209,083)	(59,121)	(65,666)
Gross profit	122,415	138,818	35,559	43,818
Other income	4,133	4,946	1,030	1,675
Other (losses)/gains - net	(912)	3,453	423	4,560
Expenses				
- Advertising and promotion	(25,326)	(32,087)	(7,064)	(9,433)
- Marketing	(1,175)	(1,239)	(349)	(527)
- Selling and distribution	(55,545)	(60,415)	(16,490)	(19,275)
- Administrative	(21,763)	(27,672)	(7,290)	(9,902)
- Finance	-	(49)	-	(7)
Share of profit of associated companies	471	526	138	133
Profit before income tax	22,298	26,281	5,957	11,042
Income tax expense	(3,677)	(3,704)	(852)	(1,622)
Net profit for the period attributable to equity holders of the Company	18,621	22,577	5,105	9,420
Other comprehensive (losses)/income:				
Items that may be reclassified subsequently to profit or loss:				
Available-for-sale financial assets				
- Fair value losses	(5,860)	(48,979)	(3,907)	(44,272)
- Reclassification	-	(130)	-	-
Fair value (losses)/gains on cash flow hedges	(311)	-	200	-
Currency translation losses arising from consolidation	(4,771)	(20,086)	(619)	(12,753)
Other comprehensive losses for the period, net of tax	(10,942)	(69,195)	(4,326)	(57,025)
Total comprehensive income/(losses) attributable to equity holders of the Company	7,679	(46,618)	779	(47,605)

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	
	01.01.2016 to 30.09.2016	01.01.2015 to 30.09.2015	01.07.2016 to 30.09.2016	01.07.2015 to 30.09.2015
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Revenue</u>				
Dividend income from available-for-sale financial assets	(2,865)	(4,037)	(1,302)	(1,303)
<u>Cost of sales</u>				
Depreciation	5,219	4,636	1,772	1,487
Write-down of inventories, net	1,869	2,020	733	576
<u>Marketing expense</u>				
Depreciation	11	10	3	3
<u>Selling and distribution expense</u>				
Depreciation	2,426	2,634	807	836
Impairment of trade receivables - net	68	137	76	171
<u>Administrative expense</u>				
Depreciation	2,080	1,996	759	662
<u>Other losses/(gains) - net</u>				
Property, plant and equipment written-off	32	315	-	245
Fair value gains on available-for-sale financial assets reclassified from other comprehensive income on disposal	-	(130)	-	-
Currency translation loss/(gain) - net	1,258	(3,105)	(280)	(4,728)
Loss/(Gain) on disposal of property, plant and equipment	10	(4)	10	-
<u>Other income</u>				
Interest income	(375)	(378)	(114)	(139)
<u>Finance expense</u>				
Interest expense on bank borrowings	-	49	-	7
<u>Income tax</u>				
(Over)/Under provision of tax in respect of prior years	(627)	(1,291)	(323)	337

1(b) Balance Sheets

	Group		Company	
	As at 30.09.2016	As at 31.12.2015	As at 30.09.2016	As at 31.12.2015
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	98,658	112,121	24,255	57,860
Trade and other receivables	71,889	72,066	97,705	76,361
Inventories	64,355	68,629	-	-
Current income tax recoverable	1,131	982	-	-
	236,033	253,798	121,960	134,221
Non-current assets				
Available-for-sale financial assets	103,623	109,482	105	105
Loans to subsidiaries	-	-	22,821	23,046
Investments in associated companies	5,409	5,170	-	-
Investments in subsidiaries	-	-	442,875	442,875
Investment properties	110,151	113,519	72,853	72,500
Property, plant and equipment	239,513	211,457	3,097	1,093
Deferred income tax assets	1,859	2,349	-	-
	460,555	441,977	541,751	539,619
Total assets	696,588	695,775	663,711	673,840
LIABILITIES				
Current liabilities				
Trade and other payables	83,969	83,378	160,064	162,950
Current income tax liabilities	1,678	998	50	179
	85,647	84,376	160,114	163,129
Non-current liabilities				
Provisions for other liabilities and charges	2,405	2,200	-	-
Deferred income tax liabilities	11,427	10,919	411	354
Other non-current liabilities	35	36	-	-
	13,867	13,155	411	354
Total liabilities	99,514	97,531	160,525	163,483
NET ASSETS	597,074	598,244	503,186	510,357
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	224,916	221,990	224,916	221,990
Capital reserve	6,066	6,066	-	-
Other reserves	(4,119)	7,106	1,835	2,090
Retained profits	370,211	363,082	276,435	286,277
TOTAL EQUITY	597,074	598,244	503,186	510,357

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

The Group and the Company do not have any borrowings and debts securities.

Details of any collateral

Not applicable.

1(c) Consolidated Statement of Cash Flows

	9 Months ended		3 Months ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit for the period	18,621	22,577	5,105	9,420
Adjustments for :				
Income tax expense	3,677	3,704	852	1,622
Depreciation of property, plant and equipment	9,736	9,276	3,341	2,988
Dividend income from available-for-sale financial assets	(2,865)	(4,037)	(1,302)	(1,303)
Share-based payment expense and other employee benefits	2,671	3,596	478	693
Property, plant and equipment written-off	32	315	-	245
Unrealised currency translation differences	(2,023)	(9,654)	771	(8,996)
Loss/(Gain) on disposal of property, plant and equipment	10	(4)	10	-
Fair value gains on available-for-sale financial assets reclassified from other comprehensive on disposal	-	(130)	-	-
Interest expense	-	49	-	7
Interest income	(375)	(378)	(114)	(139)
Provision for retirement benefits	234	214	67	69
Share of profit of associated companies	(471)	(526)	(138)	(133)
	29,247	25,002	9,070	4,473
Changes in working capital :				
Trade and other receivables	409	(11,599)	12,738	10,897
Inventories	4,362	1,036	(1,007)	85
Trade and other payables	768	15,276	(4,407)	1,547
Cash generated from operations	34,786	29,715	16,394	17,002
Income tax paid	(1,825)	(394)	(661)	(259)
Retirement benefits paid	(46)	(201)	(38)	(111)
Net cash provided by operating activities	32,915	29,120	15,695	16,632

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

	9 Months ended		3 Months ended	
	30.09.2016	30.09.2015	30.09.2016	30.09.2015
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Dividends received from available-for-sale financial assets	2,865	4,037	1,302	1,303
Proceeds from disposal of property, plant and equipment	261	494	195	-
Purchases of property, plant and equipment	(38,359)	(12,759)	(7,286)	(5,567)
Deposits paid for property, plant and equipment	-	(11,638)	-	-
Interest received	375	378	114	139
Net cash used in investing activities	(34,858)	(19,488)	(5,675)	(4,125)
Cash flows from financing activities				
Dividends paid	(11,520)	(11,493)	-	-
Interest paid	-	(49)	-	(7)
Repayments of borrowings	-	(1,800)	-	(600)
Net cash used in financing activities	(11,520)	(13,342)	-	(607)
Net (decrease)/increase in cash and cash equivalents	(13,463)	(3,710)	10,020	11,900
Cash and cash equivalents at beginning of financial period	112,121	130,821	88,638	115,211
Cash and cash equivalents at end of financial period	98,658	127,111	98,658	127,111
Represented by:				
Cash at bank and on hand	59,762	46,886	59,762	46,886
Fixed deposits with financial institutions	38,896	80,225	38,896	80,225
Cash and cash equivalents as per balance sheet and above	98,658	127,111	98,658	127,111

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

For the financial period ended 30 September 2016

	<u>Attributable to equity holders of the Company</u>									
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Property revaluation reserve</u>	<u>Fair value reserve</u>	Foreign	<u>General reserve</u>	<u>Share-based payment reserve</u>	<u>Hedging reserve</u>	<u>Retained profits</u>	<u>Total equity</u>
					<u>currency translation reserve</u>					
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2016	221,990	6,066	18,881	78,453	(54,553)	(37,765)	2,090	-	363,082	598,244
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	594	-	-	594
- Issue of new shares	234	-	-	-	-	-	(234)	-	-	-
Transfer to retained profits on realisation	-	-	(6)	-	-	(4)	-	-	10	-
Total comprehensive income for the period	-	-	-	18,230	2,417	-	-	(537)	5,398	25,508
Balance at 31 March 2016	222,224	6,066	18,875	96,683	(52,136)	(37,769)	2,450	(537)	368,490	624,346
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	1,599	-	-	1,599
- Issue of new shares	2,692	-	-	-	-	-	(2,692)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(11,520)	(11,520)
Transfer to retained profits on realisation	-	-	(6)	-	-	(3)	-	-	9	-
Total comprehensive loss for the period	-	-	-	(20,183)	(6,569)	-	-	26	8,118	(18,608)
Balance at 30 June 2016	224,916	6,066	18,869	76,500	(58,705)	(37,772)	1,357	(511)	365,097	595,817
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	478	-	-	478
Transfer to retained profits on realisation	-	-	(6)	-	-	(3)	-	-	9	-
Total comprehensive income for the period	-	-	-	(3,907)	(619)	-	-	200	5,105	779
Balance at 30 September 2016	224,916	6,066	18,863	72,593	(59,324)	(37,775)	1,835	(311)	370,211	597,074

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

For the financial period ended 30 September 2015

	<u>Attributable to equity holders of the Company</u>									
	<u>Share capital</u>	<u>Capital reserve</u>	<u>Property revaluation reserve</u>	<u>Fair value reserve</u>	<u>Foreign currency translation reserve</u>	<u>General reserve</u>	<u>Share-based payment reserve</u>	<u>Hedging reserve</u>	<u>Retained profits</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2015	219,593	6,066	18,905	117,796	(35,588)	(37,750)	428	-	337,710	627,160
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	66	-	-	66
- Issue of new shares	241	-	-	-	-	-	(241)	-	-	-
Transfer to retained profits on realisation	-	-	(6)	-	-	(4)	-	-	10	-
Total comprehensive income for the period	-	-	-	42,970	1,961	-	-	-	9,153	54,084
Balance at 31 March 2015	219,834	6,066	18,899	160,766	(33,627)	(37,754)	253	-	346,873	681,310
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	2,607	-	-	2,607
- Issue of new shares	1,915	-	-	-	-	-	(1,915)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(11,493)	(11,493)
Transfer to retained profits on realisation	-	-	(6)	-	-	(3)	-	-	9	-
Total comprehensive loss for the period	-	-	-	(47,807)	(9,294)	-	-	-	4,004	(53,097)
Balance at 30 June 2015	221,749	6,066	18,893	112,959	(42,921)	(37,757)	945	-	339,393	619,327
Employee share-based compensation scheme										
- Value of employee services	-	-	-	-	-	-	693	-	-	693
- Issue of new shares	241	-	-	-	-	-	(241)	-	-	-
Transfer to retained profits on realisation	-	-	(6)	-	-	(4)	-	-	10	-
Total comprehensive loss for the period	-	-	-	(44,272)	(12,753)	-	-	-	9,420	(47,605)
Balance at 30 September 2015	221,990	6,066	18,887	68,687	(55,674)	(37,761)	1,397	-	348,823	572,415

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

For the financial period ended 30 September 2016

	Share capital	Fair value reserve	Share-based payment reserve	Retained profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2016	221,990	-	2,090	286,277	510,357
Employee share-based compensation scheme					
- Value of employee services	-	-	594	-	594
- Issue of new shares	234	-	(234)	-	-
Total comprehensive income for the period	-	-	-	414	414
Balance at 31 March 2016	222,224	-	2,450	286,691	511,365
Employee share-based compensation scheme					
- Value of employee services	-	-	1,599	-	1,599
- Issue of new shares	2,692	-	(2,692)	-	-
Dividends paid	-	-	-	(11,520)	(11,520)
Total comprehensive income for the period	-	-	-	1,105	1,105
Balance at 30 June 2016	224,916	-	1,357	276,276	502,549
Employee share-based compensation scheme					
- Value of employee services	-	-	478	-	478
Total comprehensive income for the period	-	-	-	159	159
Balance at 30 September 2016	224,916	-	1,835	276,435	503,186

For the financial period ended 30 September 2015

	Share capital	Fair value reserve	Share-based payment reserve	Retained profits	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2015	219,593	280	428	269,669	489,970
Employee share-based compensation scheme					
- Value of employee services	-	-	66	-	66
- Issue of new shares	241	-	(241)	-	-
Total comprehensive income for the period	-	-	-	1,776	1,776
Balance at 31 March 2015	219,834	280	253	271,445	491,812
Employee share-based compensation scheme					
- Value of employee services	-	-	2,607	-	2,607
- Issue of new shares	1,915	-	(1,915)	-	-
Dividends paid	-	-	-	(11,493)	(11,493)
Total comprehensive income for the period	-	(280)	-	28,457	28,177
Balance at 30 June 2015	221,749	-	945	288,409	511,103
Employee share-based compensation scheme					
- Value of employee services	-	-	693	-	693
- Issue of new shares	241	-	(241)	-	-
Total comprehensive income for the period	-	-	-	801	801
Balance at 30 September 2015	221,990	-	1,397	289,210	512,597

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 year 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 year of the immediately preceding financial year.

	3 months ended 31.03.2016	3 months ended 30.06.2016	3 months ended 30.09.2016
Issued and fully paid ordinary shares ('000):			
As at beginning of period	575,887	575,981	577,702
Issued during the period			
- pursuant to the grant of awards under employee share-based compensation scheme	94	1,721	-
As at end of period	575,981	577,702	577,702

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:-

	30.09.2016	31.12.2015
Number of issued shares excluding treasury shares ('000)	577,702	575,887

The Company does not have any treasury shares.

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 2016 (31 December 2015: 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 2015, except as explained in Section 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 2016, the Group has adopted hedge accounting. The fair value changes of the hedging instruments on the effective portion of cash flow hedges are recognised in other comprehensive income. As at 30 September 2016, the hedges are assessed to be effective and as a result the fair value losses of \$311,000 on the hedging instruments are recognised in other comprehensive income. The amount accumulated in equity will be reclassified to the carrying amount of the hedged non-monetary asset upon acquisition or to profit or loss when the hedged forecast transactions are recognised.

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 of the Group

	Group		Group	
	9 Months		3 Months	
	01.01.2016 To 30.09.2016	01.01.2015 To 30.09.2015	01.07.2016 To 30.09.2016	01.07.2015 To 30.09.2015
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 shares in issue (cents)	3.23	3.93	0.88	1.64
(b) On a fully diluted basis (cents)	3.22	3.92	0.88	1.63
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	576,679	575,155	577,702	575,849
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	577,958	575,746	578,778	576,385

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	
	30.09.2016 Cents	31.12.2015 Cents	30.09.2016 Cents	31.12.2015 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	103.35	103.88	87.10	88.62

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 2016 vs. 9 Months ended 30 September 2015**

Food and Beverage division performance

The Food and Beverage ("F&B") revenue decreased by 8.2% to \$315.66 million for the financial period ended 30 September 2016 as compared to \$343.86 million recorded in the corresponding financial period last year. The F&B division gross profit decreased by 11.8% to \$112.08 million as compared to \$127.15 million recorded in the corresponding financial period last year. This is mainly due to lower revenue and higher raw material costs in the current financial period.

Overall, the F&B division recorded a lower segment profit of \$16.13 million in the current financial period as compared to a segment profit of \$19.30 million in the corresponding financial period last year mainly due to:

- Lower gross profit of \$15.07 million explained above;
- Absence of \$3.61 million currency translation gains recorded in corresponding financial period last year and currency translation losses of \$1.13 million recorded in the current financial period;

and partially offset by:

- Lower advertising and promotion expenses of \$6.82 million as we focused on higher impact advertising campaigns and were more efficient in our promotion spending;
- Lower selling and distribution expenses of \$4.76 million primarily as a result of lower sales in the current financial period; and
- Lower administrative expenses of \$4.87 million mainly due to lower staff costs and professional fees.

Property division performance

There were no property development or selling activities in the current financial period.

Group performance

The Group's net profit after tax attributable to equity holders of the Company decreased by \$3.96 million from \$22.58 million recorded in the corresponding financial period last year to \$18.62 million in the current financial period. This was mainly due to lower net profit of \$1.74 million generated from F&B division and partially offset by an absence of over provision of tax in prior year of \$1.64 million in Property division.

8(b) Third Quarter Results - 3 Months ended 30 September 2016 vs. 3 Months ended 30 September 2015

Food and Beverage division performance

The Food and Beverage (“F&B”) revenue decreased by 13.7% to \$93.38 million for the quarter ended 30 September 2016 as compared to \$108.18 million recorded in the corresponding quarter last year. The F&B division gross profit decreased by 19.9% to \$32.17 million as compared to \$40.16 million recorded in the corresponding quarter last year. This is mainly due to lower revenue and higher raw material costs in the current financial quarter.

Overall, the F&B division recorded a lower segment profit of \$3.98 million in the current quarter as compared to \$8.21 million in the corresponding quarter last year mainly due to:

- Lower gross profit of \$7.99 million explained above;
- Lower other gains (net) of \$3.29 million mainly attributable to lower currency translation gains in the current financial quarter;

and partially offset by:

- Lower advertising and promotion expenses of \$2.33 million as we focused on higher impact advertising campaigns and were more efficient in our promotion spending;
- Lower selling and distribution expenses of \$2.79 million primarily as a result of lower sales in the current quarter; and
- Lower administrative expenses of \$2.02 million mainly due to lower staff costs and professional fees.

Property division performance

There were no property development or selling activities in the current financial quarter.

Group performance

The Group’s net profit after tax attributable to equity holders of the Company decreased by \$4.31 million from \$9.42 million recorded in the corresponding quarter last year to \$5.11 million in the current quarter. This was mainly due to lower net profit of \$3.55 million generated from F&B division.

8(c) Balance Sheets – 30 September 2016 vs. 31 December 2015

Group

Cash and cash equivalents decreased by \$13.46 million from \$112.12 million as at 31 December 2015 to \$98.66 million as at 30 September 2016. The decrease was mainly due to dividends paid to equity holders of the Company, purchases of property, plant and equipment; and partially offset by cash generated from operating activities and dividends received from available-for-sale financial assets. Please refer to Note 8(d) for more details.

Available-for-sale financial assets decreased by \$5.86 million from \$109.48 million as at 31 December 2015 to \$103.62 million as at 30 September 2016 mainly due to fair value losses in the current financial period.

Property, plant and equipment increased by \$28.05 million from \$211.46 million as at 31 December 2015 to \$239.51 million as at 30 September 2016. The increase was mainly due to additions of \$38.36 million mainly for the Cambodia factory build-up and partially offset by current period's depreciation charge of \$9.74 million.

Company

Cash and cash equivalents decreased by \$33.60 million from \$57.86 million as at 31 December 2015 to \$24.26 million as at 30 September 2016 mainly due to dividends paid to equity holders of the Company and increase in amounts due from subsidiaries of \$21.47 million. As a result, trade and other receivables increased from \$76.36 million as at 31 December 2015 to \$97.71 million as at 30 September 2016.

8(d) Statement of Cash Flows

Year to Date - 9 months ended 30 September 2016 vs. 9 months ended 30 September 2015

The Group registered a net decrease in cash and cash equivalents of \$13.46 million for the financial period ended 30 September 2016.

Net operating cash inflow for the Group of \$32.92 million was mainly contributed by F&B division.

Net cash outflow from investing activities of \$34.86 million was mainly due to purchases of property, plant and equipment of \$38.36 million; and partially offset by \$2.87 million dividend income received.

Net cash outflow from financing activities of \$11.52 million arose from dividends paid to equity holders of the Company.

Third Quarter - 3 months ended 30 September 2016 vs. 3 months ended 30 September 2015

The Group registered a net increase in cash and cash equivalents of \$10.02 million for the quarter ended 30 September 2016.

Net operating cash inflow for the Group of \$15.70 million was mainly contributed by F&B division.

Net cash outflow from investing activities of \$5.68 million was mainly due to purchases of property, plant and equipment of \$7.29 million; and partially offset by \$1.30 million dividend income received.

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 year and the next 12 months.

In the next 12 months, the Group expects the F&B margins to come under pressure mainly due to soft economic conditions and weak outlook for our key markets; competitive selling prices; and uncertainty in raw material prices. Further, the fluctuations in the regional currencies will have an impact on our results.

We will constantly review our business strategies and operations so that improvements can be made on a continuous basis.

The property development segment is dormant.

In addition, the Group announced the following:

(i) Cessation of Exclusive Bottling Agreement (“EBA”)

On 30 June 2016, the Company announced that its EBA with PepsiCo. Inc and The Concentrate Manufacturing Company of Ireland to bottle, sell and distribute carbonated soft drinks (the “Pepsi products”) in Singapore will cease on 31 October 2016. The cessation of the EBA is not expected to have a material impact on the Group’s net tangible assets and earnings per share for the current financial year ending 31 December 2016. For financial year ending 31 December 2017, the cessation of the EBA is not expected to have a material impact on the Group’s net tangible assets. However, the Group’s earnings per share will be impacted, although the impact is expected to be moderated by earnings contribution from the Group’s new product lines and agency brands.

(ii) Proposed Disposal of Shares in Super Group Ltd (“Proposed Disposal”)

The Company, through its wholly-owned subsidiary, YHS Investment Pte. Ltd. (“YHS Investment”), has an interest in 130,211,296 ordinary shares of Super Group Ltd. (“SGL”), representing approximately 11.69 per cent. of the total issued and paid-up share capital in SGL (“SGL Shares”) as at 3 November 2016.

On 3 November 2016, the Company announced that YHS Investment has on 2 November 2016, entered into a deed of undertaking (the “Irrevocable Undertaking”) in favour of Sapphire Investments B.V. (the “Offeror”), pursuant to which YHS Investment has undertaken to, inter alia, accept or procure the acceptance of a voluntary general offer (the “Offer”) in respect of all the 130,211,296 SGL Shares held by YHS Investment and representing approximately 11.69 per cent. of the total number of SGL Shares as at the date of the Irrevocable Undertaking.

The making of the Offer will be subject to the satisfaction or waiver by the Offeror of some pre-conditions as set-out in the announcement dated 3 November 2016 and the terms and conditions of the Offer to be set-out in the formal offer documents. Subject thereto, the consideration for each SGL Share will be S\$1.30 in cash (the “Offer Price”).

Based on the Offer Price, the aggregate consideration that YHS Investment will receive in respect of the SGL Shares and tendered in acceptance of the Offer pursuant to the Irrevocable Undertaking is S\$169,274,684.80 in cash. The Group expects to realise a gain of approximately S\$138,350,000 in respect of the Proposed Disposal.

The Proposed Disposal constitutes a major transaction as defined in Chapter 10 of the Listing Manual. Accordingly, unless waived or exempted by the SGX-ST, the Proposed Disposal will be subject to the approval of shareholders of the Company at an extraordinary general meeting to be convened.

Further details on the Offer and the financial effects on the Group are set out in the Company’s announcement dated 3 November 2016.

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

None.

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 Period

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.

15. Confirmation that issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company has procured undertakings from all its directors and executive officers required under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Lim Swee Lee Joanne
Company Secretary
7 November 2016

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 2016 to be false or misleading in any material respect.

On behalf of the Directors

MELVIN TEO TZAI WIN
Director

KOH BOON HWEE
Director

7 November 2016