

FOOD EMPIRE HOLDINGS LIMITED
(Co Registration No: 200001282G)

Full Year Financial Statement and Dividend Announcement for The Period ended 31 December 2012

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

- 1(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			Group		
	4Q 12	4Q 11	Increase/ (Decrease)	12M 12	12M 11	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	68,473	63,174	8.4	237,663	225,662	5.3
Changes in inventories of finished goods	(5,698)	(4,700)	}	4,915	(1,396)	}
Raw materials and consumables used	(30,767)	(30,740)		(131,420)	(125,494)	
Staff costs	(8,275)	(6,481)	27.7	(29,115)	(24,435)	19.2
Depreciation of property, plant and equipment	(897)	(739)	21.4	(2,805)	(1,916)	46.4
Depreciation of investment properties	(11)	(10)	10.0	(41)	(41)	-
Foreign exchange gain/(loss)	455	(283)	N.M.	585	(812)	N.M.
Other operating expenses	(19,571)	(16,839)	16.2	(60,325)	(56,695)	6.4
Finance costs	(137)	(23)	495.7	(341)	(86)	296.5
Other income	605	138	338.4	1,111	1,101	0.9
Share of profit/(loss) of associates	196	651	(69.9)	1,290	277	365.7
Profit before taxation (Note 1)	4,373	4,148	5.4	21,517	16,165	33.1
Taxation (Note 2)	(841)	(503)	67.2	(1,276)	(1,352)	(5.6)
Profit after taxation	3,532	3,645	(3.1)	20,241	14,813	36.6
Profit attributable to:						
Equity shareholders of the Company	3,630	3,732	(2.7)	20,486	14,962	36.9
Non-controlling interest	(98)	(87)	12.6	(245)	(149)	64.4
	3,532	3,645	(3.1)	20,241	14,813	36.6

Notes:

1. Included in profit before taxation are as follows:

	4Q 12	4Q 11	Increase/ (Decrease)	12M 12	12M 11	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Interest income	82	59	39.0	355	269	32.0
Negative goodwill	407	-	N.M.	414	-	N.M.
Impairment for doubtful receivables	(271)	(2)	13450.0	(349)	(286)	22.0
Write down of inventories	8	(132)	N.M.	(38)	(437)	-91.3
Gain from disposal of assets classified as held for sale	-	-	N.M.	-	357	N.M.

2. Included in the taxation is as follows:

	Group			Group		
	4Q 12	4Q 11	Increase/ (Decrease)	12M 12	12M 11	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
(Under)/over provision for the prior year	(27)	196	N.M.	393	196	101%

N.M. denotes not meaningful.

1(a)(ii) Statement of group comprehensive income

	Group			Group		
	4Q 12	4Q 11	Increase/ (Decrease)	12M 12	12M 11	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Profit net of tax	3,532	3,645	-3.1	20,241	14,813	36.6
Other comprehensive income :						
Net loss on fair value change of debentures	-	76	N.M.	-	76	N.M.
Foreign currency translation (loss)/gain	(134)	23	N.M.	481	(314)	N.M.
Share of other comprehensive profit/(loss) of associates	187	(79)	N.M.	(357)	(181)	97.2
Other comprehensive income/(loss) for the period/year, net of tax	53	20	165.0	124	(419)	N.M.
Total comprehensive income for the period/year	3,585	3,665	-2.2	20,365	14,394	41.5
Total comprehensive income attributable to:						
Equity shareholders of the Company	3,683	3,796	-3.0	20,610	14,587	41.3
Non-controlling interest	(98)	(131)	-25.2	(245)	(193)	26.9
	3,585	3,665	-2.2	20,365	14,394	41.5

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

	Group		Company	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
	US\$'000	US\$'000	US\$'000	US\$'000
Non-Current Assets				
Property, plant and equipment	33,562	23,857	186	221
Investment properties	11,400	10,765	-	-
Investments in subsidiaries	-	-	44,545	44,545
Investments in associates	12,890	9,988	-	-
Intangible assets	13,343	13,343	-	-
Other receivables	378	-	-	-
Amount due from an associate	2,600	2,600	-	-
Deferred tax assets	207	142	-	-
	74,380	60,695	44,731	44,766
Current Assets				
Cash and cash equivalents	46,596	35,148	418	116
Trade receivables	54,501	63,050	-	-
Deferred expenses	165	400	-	-
Prepaid operating expenses and other debtors	6,746	2,173	46	29
Derivatives	178	-	-	-
Other receivables	938	2,435	-	-
Amounts due from subsidiaries (non-trade)	-	-	7,353	5,889
Amounts due from associates (non-trade)	539	514	-	-
Inventories	27,172	22,257	-	-
	136,835	125,977	7,817	6,034
Current Liabilities				
Trade payables and accruals	(27,593)	(25,672)	(1,327)	(1,043)
Finance lease creditors	(10)	(9)	-	-
Interest-bearing loans and borrowings	(1,122)	(1,076)	-	-
Other payables	(8,398)	(719)	-	-
Amount due to subsidiaries (non-trade)	-	-	(22)	(21)
Provision for taxation	(394)	(1,662)	-	-
	(37,517)	(29,138)	(1,349)	(1,064)
Net Current Assets	99,318	96,839	6,468	4,970
Non-Current Liabilities				
Finance lease creditors	(37)	(8)	-	-
Interest-bearing loans and borrowings	(11,768)	(12,310)	-	-
Deferred tax liabilities	(473)	(364)	-	-
	(12,278)	(12,682)	-	-
Net Assets	161,420	144,852	51,199	49,736
Equity				
Share capital	40,464	39,751	40,464	39,751
Treasury shares	(317)	-	(317)	-
Reserves	121,267	104,850	11,052	9,985
	161,414	144,601	51,199	49,736
Non-controlling interest	6	251	-	-
Total Equity	161,420	144,852	51,199	49,736

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

Amount repayable in one year or less, or on demand

	As at 31 Dec 2012		As at 31 Dec 2011	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Finance lease creditors	(10)	-	(9)	-
Interest-bearing loans and borrowings	(1,122)	-	(1,076)	-
Total	(1,132)	-	(1,085)	-

Amount repayable after one year

	As at 31 Dec 2012		As at 31 Dec 2011	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Finance lease creditors	(37)	-	(8)	-
Interest-bearing loans and borrowings	(11,768)	-	(12,310)	-
Total	(11,805)	-	(12,318)	-

Details of any collateral

As at 31 December 2011 and 31 December 2012, the interest bearing loans and borrowings were secured by a charge over the related freehold properties owned by one of the subsidiaries.

As at 31 December 2011 and 31 December 2012, the finance lease liabilities were secured by charge over the related lease vehicles held by two of the subsidiaries.

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			
	4Q 12	4Q 11	12M 12	12M 11
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities:				
Profit from operations before taxation	4,373	4,148	21,517	16,165
Adjustment for :				
Depreciation of property, plant and equipment	897	739	2,805	1,916
Depreciation of investment properties	11	10	41	41
Gain on disposal of assets classified as held for sale	-	-	-	(357)
(Gain)/loss on disposal of property, plant and equipment	(5)	(31)	(20)	14
Negative goodwill	(407)	-	(414)	-
Loss on disposal of investment in an associate	-	342	-	342
Interest income	(82)	(59)	(355)	(269)
Interest expenses	137	23	341	86
Exchange realignment	(341)	(38)	(218)	(208)
Share of profit of associates	(196)	(651)	(1,290)	(277)
Impairment for doubtful receivables	271	2	349	286
Write down of inventories	(8)	132	38	437
Write back of impairment loss on property, plant and equipment	(50)	-	(134)	-
Value of employee services received for issue of share options	80	11	331	299
Operating profit before working capital changes	4,680	4,628	22,991	18,475
Decrease/(increase) in trade and other receivables	536	1,334	6,413	(12,373)
Decrease/(increase) in inventories	5,998	4,568	(2,203)	960
(Decrease)/increase in trade and other payables	(4,077)	3,840	(242)	(1,212)
Cash flows generated from operations	7,137	14,370	26,959	5,850
Income taxes paid	(568)	(58)	(2,473)	(427)
Net cash flows generated from operating activities	6,569	14,312	24,486	5,423
Cash flows from investing activities				
Interest income received	82	59	355	269
Purchase of property, plant and equipment	(1,165)	(6,363)	(5,881)	(8,644)
Purchase of investment properties	-	(6,405)	-	(6,418)
Proceeds from disposal of property, plant and equipment	-	128	197	319
Proceeds from disposal of assets classified as held for sale	-	-	-	669
Dividends income from an associate	31	-	31	38
Subscription for debentures from an associate	-	-	-	8
Capital injection in an associate	(2,000)	-	(2,000)	-
Loans provided to associate	-	-	-	(1,300)
Net cash inflow on acquisition of a subsidiaries	-	-	29	-
Net cash flows used in investing activities	(3,052)	(12,581)	(7,269)	(15,059)
Cash flows from financing activities				
Interest expenses paid	(137)	(23)	(341)	(86)
Proceeds from issuance of shares	663	-	693	76
Purchase of treasury shares	-	-	(317)	-
Dividends paid to shareholders of the Company	-	-	(4,504)	(4,531)
Capital injection from non-controlling interest of a subsidiary	-	-	-	184
Repayment of interest-bearing loans and borrowings	(281)	(183)	(1,109)	(707)
Proceeds from interest-bearing loans and borrowings	-	6,974	-	8,077
Repayment of obligations under finance leases	(6)	-	(14)	-
Net cash flows generated from/(used in) financing activities	239	6,768	(5,592)	3,013
Net increase/(decrease) in cash and cash equivalents	3,756	8,499	11,625	(6,623)
Effect of exchange rate changes on cash and cash equivalents	(17)	27	(177)	101
Cash and cash equivalents at beginning of the period/year	42,857	26,622	35,148	41,670
Cash and cash equivalents at end of the period/year	46,596	35,148	46,596	35,148

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group – 4Q

	Attributable to equity holders of the Company									
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Asset revaluation reserve US\$'000	Share-based payment reserve US\$'000	Fair value adjustment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non- controlling interest US\$'000	Total equity US\$'000
Balance as at 1 October 12	39,781	(317)	921	60	1,076	-	115,467	156,988	104	157,092
Profit for the period	-	-	-	-	-	-	3,630	3,630	(98)	3,532
Other comprehensive income										
Foreign currency translation	-	-	(134)	-	-	-	-	(134)	-	(134)
Share of other comprehensive income of associates	-	-	187	-	-	-	-	187	-	187
Total comprehensive income/(loss) for the period	-	-	53	-	-	-	3,630	3,683	(98)	3,585
Value of employee services received for issue of share options	-	-	-	-	80	-	-	80	-	80
Issuance of ordinary shares	663	-	-	-	-	-	-	663	-	663
Exercise of share options	20	-	-	-	(20)	-	-	-	-	-
Balance as at 31 December 12	40,464	(317)	974	60	1,136	-	119,097	161,414	6	161,420
Balance as at 1 October 11	39,751	-	396	60	814	(76)	99,849	140,794	382	141,176
Profit for the period	-	-	-	-	-	-	3,732	3,732	(87)	3,645
Other comprehensive income										
Net loss of debentures	-	-	-	-	-	76	-	76	-	76
Foreign currency translation	-	-	533	-	-	-	-	533	(44)	489
Adjustment for translation difference pertaining to dividends paid out to shareholders in the prior period	-	-	-	-	-	-	(466)	(466)	-	(466)
Share of other comprehensive loss of associates	-	-	(79)	-	-	-	-	(79)	-	(79)
Total comprehensive income/(loss) for the period	-	-	454	-	-	76	3,266	3,796	(131)	3,665
Value of employee services received for issue of share options	-	-	-	-	11	-	-	11	-	11
Balance as at 31 December 11	39,751	-	850	60	825	-	103,115	144,601	251	144,852

The Group – 12M

Attributable to equity holders of the Company										
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Asset revaluation reserve US\$'000	Share-based payment reserve US\$'000	Fair value adjustment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non- controlling interest US\$'000	Total equity US\$'000
Balance as at 1 January 12	39,751	-	850	60	825	-	103,115	144,601	251	144,852
Profit for the year	-	-	-	-	-	-	20,486	20,486	(245)	20,241
<u>Other comprehensive income</u>										
Foreign currency translation	-	-	481	-	-	-	-	481	-	481
Share of other comprehensive loss of associates	-	-	(357)	-	-	-	-	(357)	-	(357)
Total comprehensive income/(loss) for the year	-	-	124	-	-	-	20,486	20,610	(245)	20,365
Value of employee services received for issue of share options	-	-	-	-	331	-	-	331	-	331
Issuance of new shares	693	-	-	-	-	-	-	693	-	693
Exercise of share options	20	-	-	-	(20)	-	-	-	-	-
Dividends paid to shareholders of the company	-	-	-	-	-	-	(4,504)	(4,504)	-	(4,504)
Purchase of treasury shares	-	(317)	-	-	-	-	-	(317)	-	(317)
Balance as at 31 December 12	40,464	(317)	974	60	1,136	-	119,097	161,414	6	161,420
Balance as at 1 January 11	39,666	-	1,301	60	535	(76)	92,684	134,170	-	134,170
Profit for the year	-	-	-	-	-	-	14,962	14,962	(149)	14,813
<u>Other comprehensive income</u>										
Net loss of debentures	-	-	-	-	-	76	-	76	-	76
Foreign currency translation	-	-	(270)	-	-	-	-	(270)	(44)	(314)
Share of other comprehensive loss of associates	-	-	(181)	-	-	-	-	(181)	-	(181)
Total comprehensive (loss)/income for the year	-	-	(451)	-	-	76	14,962	14,587	(193)	14,394
Value of employee services received for issue of share options	-	-	-	-	299	-	-	299	-	299
Issuance of new shares	76	-	-	-	-	-	-	76	-	76
Exercise of share options	9	-	-	-	(9)	-	-	-	-	-
Capital injection from non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	444	444
Dividends paid to shareholders of the company	-	-	-	-	-	-	(4,531)	(4,531)	-	(4,531)
Balance as at 31 December 11	39,751	-	850	60	825	-	103,115	144,601	251	144,852

The Company – 4Q

	Attributable to equity holders of the Company					
	Share capital US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total Equity US\$'000
Balance as at 1 October 12	39,781	(317)	4,130	1,076	188	44,858
Profit for the period	-	-	-	-	5,494	5,494
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	104	-	-	104
Total comprehensive income for the period	-	-	104	-	5,494	5,598
Value of employee services received for issue of share options	-	-	-	80	-	80
Issuance of ordinary shares	663	-	-	-	-	663
Exercise of share options	20	-	-	(20)	-	-
Balance as at 31 December 12	40,464	(317)	4,234	1,136	5,682	51,199
Balance as at 1 October 11	39,751	-	3,562	814	443	44,570
Profit for the period	-	-	-	-	5,314	5,314
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	307	-	-	307
Adjustment for translation difference pertaining to dividends paid out to shareholders in the prior period	-	-	-	-	(466)	(466)
Total comprehensive income for the period	-	-	307	-	4,848	5,155
Value of employee services received for issue of share options	-	-	-	11	-	11
Balance as at 31 December 11	39,751	-	3,869	825	5,291	49,736

The Company – 12M

	Attributable to equity holders of the Company					
	Share capital US\$'000	Treasury shares US\$'000	Foreign	Share-	Accumulated profits US\$'000	Total Equity US\$'000
			currency translation reserve US\$'000	based payment reserve US\$'000		
Balance as at 1 January 12	39,751	-	3,869	825	5,291	49,736
Profit for the year	-	-	-	-	4,895	4,895
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	365	-	-	365
Total comprehensive income for the year	-	-	365	-	4,895	5,260
Value of employee services received for issue of share options	-	-	-	331	-	331
Issurance of new shares	693	-	-	-	-	693
Exercise of share options	20	-	-	(20)	-	-
Dividends paid to shareholders of the Company	-	-	-	-	(4,504)	(4,504)
Purchase of treasury shares	-	(317)	-	-	-	(317)
Balance as at 31 December 12	40,464	(317)	4,234	1,136	5,682	51,199
Balance as at 1 January 11	39,666	-	3,963	535	271	44,435
Profit for the year	-	-	-	-	9,551	9,551
<u>Other comprehensive income</u>						
Foreign currency translation	-	-	(94)	-	-	(94)
Total comprehensive (loss)/income for the year	-	-	(94)	-	9,551	9,457
Value of employee services received for issue of share options	-	-	-	299	-	299
Issurance of ordinary shares	76	-	-	-	-	76
Exercise of share options	9	-	-	(9)	-	-
Dividends paid to shareholders of the company	-	-	-	-	(4,531)	(4,531)
Balance as at 31 December 11	39,751	-	3,869	825	5,291	49,736

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.

Details of movement in the number of issued ordinary shares (excluding treasury shares), treasury shares and share options are as follows : -

	FY 2012	FY 2011
<u>Share Capital</u>		
Number of issued ordinary shares as at 1 Jan	529,413,999	529,043,999
Issued for cash under employee share option scheme		
- at the exercise price of S\$0.315 each	140,000	-
- at the exercise price of S\$0.335 each	140,000	120,000
- at the exercise price of S\$0.229 each	3,300,000	250,000
Ordinary shares held as treasury shares	(1,001,000)	-
Balance of issued ordinary shares as at 31 Dec (excluding treasury shares)	531,992,999	529,413,999
<u>Share Option - exercise price of S\$0.142</u>		
Balance as at 1 Jan	240,000	240,000
Options lapsed during the period	(240,000)	-
Balance as at 31 Dec	-	240,000
<u>Share Option - exercise price of S\$0.229</u>		
Balance as at 1 Jan	3,400,000	3,650,000
Options exercised during the period	(3,300,000)	(250,000)
Balance as at 31 Dec	100,000	3,400,000
<u>Share Option - exercise price of S\$0.335</u>		
Balance as at 1 Jan	3,730,000	4,750,000
Options exercised during the period	(140,000)	(120,000)
Options lapsed during the period	(30,000)	(900,000)
Balance as at 31 Dec	3,560,000	3,730,000
<u>Share Option - exercise price of S\$0.505</u>		
Balance as at 1 Jan	4,050,000	-
Granted to eligible employees on 1 February 2011	-	4,750,000
Options lapsed during the period	(100,000)	(700,000)
Balance as at 31 Dec	3,950,000	4,050,000
<u>Share Option - exercise price of S\$0.315</u>		
Balance as at 1 Jan	4,470,000	-
Granted to eligible employees on 19 December 2011	-	4,470,000
Options exercised during the period	(140,000)	-
Options lapsed during the period	(200,000)	-
Balance as at 31 Dec	4,130,000	4,470,000

Out of the 11,740,000 outstanding share options on 31 December 2012 (31 December 2011: 15,890,000), 11,740,000 (31 December 2011: 7,370,000) share options are exercisable.

Treasury Shares

As at 31 December 2012, the total number of treasury shares held was 1,001,000 (31 December 2011: Nil).

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

The total number of issued ordinary shares excluding treasury shares is as follows: -

	Group	
	As at 31 Dec 2012	As at 31 Dec 2011
Issued ordinary shares	529,413,999	529,413,999
Add : Shares issued under employee share option scheme	3,580,000	-
Less : Treasury shares	(1,001,000)	-
	531,992,999	529,413,999

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

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 by the auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2011, except for the adoption of revised FRS which came into effect on 1 January 2012.

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.

The adoption of revised FRS as highlighted in paragraph 4 does not have a material impact on the financial statements for the period under review.

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

	Group		Group	
	4Q 12	4Q 11	12M 12	12M 11
Earnings per share				
Based on existing issued share capital (USD cents)	0.68	0.71	3.87	2.83
On a fully diluted basis (USD cents)	0.68	0.70	3.85	2.82

	4Q 12	4Q 11	12M 12	12M 11
Weighted average number of shares table				
Weighted average number of shares for calculation of basic EPS	529,868,108	529,413,999	529,285,660	529,272,026
Weighted average number of shares for calculation of diluted EPS	533,499,489	529,544,614	532,172,030	530,649,941

- 7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
Net asset value per ordinary share (USD cents)	30.34	27.31	9.62	9.39

- 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.

Financial Review

Revenue for FY2012 was US\$237.7 million, an increase of 5.3% over the US\$225.7 million recorded in FY2011. The Group's FY 2012 profit after tax was US\$20.2 million, a 36.6% jump compared to US\$14.8 million in FY 2011.

Revenue by Region (US\$'000)

	Group			Group		
	4Q 12	4Q 11	Increase/ (Decrease)	12M 12	12M 11	Increase/ (Decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Russia	38,166	32,350	18.0	136,875	129,356	5.8
Eastern Europe and Central Asia	22,858	22,192	3.0	74,563	71,385	4.5
Other Markets	7,449	8,632	-13.7	26,225	24,921	5.2
Total	68,473	63,174	8.4	237,663	225,662	5.3

The record revenue of US\$237.7 million was achieved through successful marketing of the Group's brands and by continued expansion of its distribution network to reach new consumers.

Sales in the Group's largest region, Russia, rose by 5.8% to US\$136.9 million in FY 2012, compared to US\$129.4 million in FY 2011.

In the Group's Eastern Europe and Central Asia region (comprising Ukraine, Kazakhstan and the CIS Countries), sales rose by 4.5%, from US\$71.4 million to US\$74.6 million.

Sales to the Group's Other Markets increased by 5.2% in FY 2012 from US\$ 24.9 million to US\$26.2 million, with the Middle East and Asia contributing to the bulk of sales.

Profitability

For FY 2012, the Group recorded profit after tax of US\$20.2 million compared to US\$14.8 million in FY 2011.

The improvement in performance was mainly due to the following: -

- 1) Higher average selling prices of its products in its key markets.
- 2) A foreign exchange gain of US\$585,000 in FY 2012, compared to a loss of US\$812,000 in the FY 2011.
- 3) Increase in share of associates' profits from US\$277,000 in FY 2011 to US\$1.3 million in FY 2012.

The increase in profitability was offset by an increase in staff costs, which rose by 19.2% in FY 2012 to US\$29.1 million. This was due to a higher global headcount, salaries and social contributions. The Group also saw higher operating expenses for A&P activities and one-off costs pertaining to the setting up of its Ukraine production facilities. Depreciation expenses for property, plant and equipment increased due to the Group's larger asset base.

Taxation for the Group for FY 2012 was US\$1.3 million which included a write-back of US\$393,000 due to an overprovision of taxes in the previous year.

Balance Sheet & Cashflow

The Group's net assets as at 31 December 2012 were US\$161.4 million. The net asset value per ordinary share (excluding minority interests) as at 31 December 2012 was 30.34 US cents compared to 27.31 US cents as at 31 December 2011.

The Group continued to have a strong cash position, with cash and cash equivalents of US\$46.6 million as at 31 December 2012, compared to US\$35.1 million as at 31 December 2011.

The increase in prepaid operating expenses and other debtors from US\$2.2 million in 31 December 2011 to US\$6.7 million 31 December 2012 was mainly due to deposits made for purchase of land and machinery arising from the Group's investment in several green-field projects.

Trade receivables fell by US\$8.5 million due the Group's increased effort to secure timely payment from its debtors.

The increase in inventories and trade payables was due to the acquisition of a Ukraine subsidiary that resulted in an increase in inventories carried.

Other payables of US\$8.4 million was also primarily due to the Group's acquisition of its Ukraine subsidiary.

The Group's cashflow improved substantially with net cash from operations of US\$27.0 million in FY 2012 compared to US\$5.9 million in FY 2011.

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.

While the Group is cautiously optimistic about its operating environment in its existing markets, its performance may be affected by the following factors: -

- currency volatility;
- raw material prices;
- competitive market conditions; and
- the possibility of changes in regulatory policies in the Group's operating markets.

Organically, the Group will continue to pursue activities to build up its brand equity and strengthen its distribution networks. The Group is also looking for suitable M&A opportunities.

The Group has embarked on a number of upstream green-field projects to mitigate some of the uncertainties in commodities prices in the longer term. Its non-dairy creamer plant is scheduled to be completed by the second half of 2013, but it is not expected to make a positive financial impact for the coming financial year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount per Share (in Singapore cents)	1.231
Tax Rate	1-tier tax exempted

The above proposed dividends would be subject to the approval of the Shareholders at the forthcoming Annual General Meeting scheduled for 23 April 2013.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Amount per Share (in Singapore cents)	1.052
Tax Rate	1-tier tax exempted

(c) Date payable

The dividend, if approved by the shareholders at the Annual General Meeting schedule for 23 April 2013, will be paid on 21 May 2013.

(d) Books closure date

Notice is hereby given that, subject to the shareholders' approval of the payment of the dividends at the Annual General Meeting scheduled for 23 April 2013, the Share Transfer Books and the Register of Members of the Company will be closed on 3 May 2013. Duly completed registrable transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623, up to 5.00 p.m. on 2 May 2013 will be registered for the dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the dividends will be paid by the Company to CDP which will, in turn, distribute the dividends to holders of the securities accounts.

12. If no dividend have been declared/recommended, a statement to that effect.

Not applicable.

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 did not obtain general mandate from shareholders for IPTs.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

	Beverages		Other products		Total per consolidated financial statements	
	2012	2011	2012	2011	2012	2011
	(US\$'000)	(US\$'000)	(US\$'000)	(US\$'000)	(US\$'000)	(US\$'000)
Revenue						
Segment revenue from external customers	224,136	212,365	13,527	13,297	237,663	225,662
Other information						
Interest income	336	265	19	4	355	269
Interest expenses	(334)	(80)	(7)	(6)	(341)	(86)
Dividend income	-	-	31	38	31	38
Depreciation of property, plant and equipment	(2,746)	(1,790)	(59)	(126)	(2,805)	(1,916)
Depreciation of investment properties	-	-	(41)	(41)	(41)	(41)
Share of profit of associates	295	126	995	151	1,290	277
Impairment for doubtful receivables	(342)	(267)	(7)	(19)	(349)	(286)
Write down of inventories	(37)	(408)	(1)	(29)	(38)	(437)
Value of employees services received for issue of share options	(330)	(299)	-	-	(330)	(299)
Results						
Segment results before tax	20,097	14,973	1,420	1,192	21,517	16,165

Geographical information

Segment revenue information based on the geographical locations of customers are as follows:		Group	
		2012	2011
		(US\$'000)	(US\$'000)
Russia		136,875	129,356
Eastern Europe and Central Asia		74,563	71,385
Other countries		26,225	24,921
		237,663	225,662

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

Please refer to paragraph 8.

16. A breakdown of sales.

	31-Dec-12 US\$'000	31-Dec-11 US\$'000	Increase/ (Decrease) %
Revenue reported for first half year	110,705	107,070	3.4%
Operating profit after tax before deducting minority interests reported for first half financial year	8,671	6,961	24.6%
Revenue reported for second half year	126,958	118,592	7.1%
Operating profit after tax before deducting minority interests reported for second half financial year	11,570	7,852	47.4%

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend

	Latest Full Year (US\$'000) FY2012*	Previous Full Year (US\$'000) FY2011
Ordinary	5,261	4,504
Special	-	-
Total:	5,261	4,504

*Amounts are translated into United States Dollars ("US\$") at the exchange rate of S\$1.2447 to US\$1.00

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that there are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

19. Confirmation by the Board Pursuant to Rule 705(5)

We, Tan Wang Cheow and Sudeep Nair, being 2 Directors of Food Empire Holdings Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended on 31 December 2012 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Tan Wang Cheow
Director

Sudeep Nair
Director

BY ORDER OF THE BOARD

Tan Cher Liang
Company Secretary
27 February 2013