

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

**Third Quarter Financial Statement and Dividend Announcement for the Period ended 30 September 2015**
**PART I- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) 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		
	3Q 15	3Q 14	Increase/ (Decrease) %	9M 15	9M 14	Increase/ (Decrease) %
	US\$'000	US\$'000		US\$'000	US\$'000	
<b>Revenue</b>	<b>61,652</b>	<b>72,572</b>	<b>(15.0)</b>	<b>169,549</b>	<b>191,931</b>	<b>(11.7)</b>
Changes in inventories of finished goods	1,126	(1,121)	} (13.1)	858	7,184	} (5.3)
Raw materials and consumables used	(35,091)	(37,956)				
Staff costs	(7,817)	(10,187)	(23.3)	(24,623)	(30,077)	(18.1)
Depreciation of property, plant and equipment	(1,004)	(1,091)	(8.0)	(3,113)	(3,268)	(4.7)
Depreciation of investment properties	(39)	(9)	333.3	(66)	(31)	112.9
Foreign exchange loss	(6,367)	(6,049)	5.3	(10,555)	(12,222)	(13.6)
Other operating expenses	(12,203)	(17,013)	(28.3)	(34,402)	(47,747)	(27.9)
Finance costs	(199)	(177)	12.4	(599)	(468)	28.0
Other income	67	131	(48.9)	1,392	286	386.7
Share of (loss)/profit of associates	(142)	(112)	26.8	501	252	98.8
<b>(Loss)/profit before taxation (Note 1)</b>	<b>(17)</b>	<b>(1,012)</b>	<b>(98.3)</b>	<b>3,180</b>	<b>(1,550)</b>	<b>NM</b>
Taxation (Note 2)	545	170	220.6	(74)	160	NM
<b>Profit/(loss) for the period</b>	<b>528</b>	<b>(842)</b>	<b>NM</b>	<b>3,106</b>	<b>(1,390)</b>	<b>NM</b>
<b>Profit/(loss) attributable to:</b>						
Equity shareholders of the Company	597	(765)	NM	3,364	(1,104)	NM
Non-controlling interest	(69)	(77)	(10.4)	(258)	(286)	(9.8)
	<b>528</b>	<b>(842)</b>	<b>NM</b>	<b>3,106</b>	<b>(1,390)</b>	<b>NM</b>

**Notes:**

1. Included in (loss)/profit before taxation are as follows:

	Group			Group		
	3Q 15	3Q 14	Increase/ (Decrease) %	9M 15	9M 14	Increase/ (Decrease) %
	US\$'000	US\$'000		US\$'000	US\$'000	
Interest income	40	14	185.7	104	74	40.5
(Loss)/gain on disposal of assets held for sale	(60)	-	NM	938	-	NM
Write down of inventories	(110)	(113)	(2.7)	(516)	(197)	161.9
(Allowance)/write back of doubtful receivables	(16)	70	NM	(42)	(467)	(91.0)
Loss on disposal of investment property	-	-	NM	-	(78)	NM
Loss on disposal of an associate	-	-	NM	(53)	-	NM
Net fair value loss on derivatives	(184)	-	NM	-	-	NM
Loss on disposal of a subsidiary	-	(28)	NM	-	(28)	NM

2. Included in the taxation is as follows:

	Group			Group		
	3Q 15 US\$'000	3Q 14 US\$'000	Increase/ (Decrease) %	9M 15 US\$'000	9M 14 US\$'000	Increase/ (Decrease) %
(Under)/over provision for prior year	(8)	5	NM	(353)	272	NM

NM denotes not meaningful.

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

	Group			Group		
	3Q 15 US\$'000	3Q 14 US\$'000	Increase/ (Decrease) %	9M 15 US\$'000	9M 14 US\$'000	Increase/ (Decrease) %
<b>Profit/(loss) net of tax</b>	<b>528</b>	<b>(842)</b>	<b>NM</b>	<b>3,106</b>	<b>(1,390)</b>	<b>NM</b>
<b>Other comprehensive (loss)/income:</b>						
<b>Items that may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation loss	(1,826)	(4,063)	(55.1)	(666)	(5,455)	(87.8)
Share of other comprehensive loss of associates	(859)	(1,236)	(30.5)	(856)	(1,464)	(41.5)
Reversal of asset revaluation reserve from disposal of assets held for sale	60	-	NM	-	-	NM
<b>Other comprehensive loss for the period, net of tax</b>	<b>(2,625)</b>	<b>(5,299)</b>	<b>(50.5)</b>	<b>(1,522)</b>	<b>(6,919)</b>	<b>(78.0)</b>
<b>Total comprehensive (loss)/income for the period</b>	<b>(2,097)</b>	<b>(6,141)</b>	<b>(65.9)</b>	<b>1,584</b>	<b>(8,309)</b>	<b>NM</b>
<b>Total comprehensive (loss)/income attributable to:</b>						
Equity shareholders of the Company	(2,028)	(6,064)	(66.6)	1,842	(8,023)	NM
Non-controlling interest	(69)	(77)	(10.4)	(258)	(286)	(9.8)
	<b>(2,097)</b>	<b>(6,141)</b>	<b>(65.9)</b>	<b>1,584</b>	<b>(8,309)</b>	<b>NM</b>

**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	
	30 Sep 2015 US\$'000	31 Dec 2014 US\$'000	30 Sep 2015 US\$'000	31 Dec 2014 US\$'000
<b>Non-Current Assets</b>				
Property, plant and equipment	66,220	66,599	45	82
Investment properties	15,281	15,705	-	-
Investments in subsidiaries	-	-	44,545	44,545
Investments in associates	9,686	10,726	-	-
Intangible assets	10,343	10,343	-	-
Deferred tax assets	2,227	3,069	-	-
	<b>103,757</b>	<b>106,442</b>	<b>44,590</b>	<b>44,627</b>
<b>Current Assets</b>				
Cash and cash equivalents	23,162	19,778	57	222
Trade receivables	43,563	40,405	19	3
Deferred expenses	334	210	-	-
Prepaid operating expenses and other debtors	3,977	4,303	21	31
Other receivables	3,057	2,951	-	67
Amounts due from subsidiaries (non-trade)	-	-	9,163	10,593
Amounts due from associates (non-trade)	908	-	-	-
Amounts due from related parties (trade)	1,046	2,098	-	-
Inventories	46,520	45,662	-	-
	<b>122,567</b>	<b>115,407</b>	<b>9,260</b>	<b>10,916</b>
Assets held for sale	-	543	-	-
	<b>122,567</b>	<b>115,950</b>	<b>9,260</b>	<b>10,916</b>
<b>Current Liabilities</b>				
Trade payables and accruals	(35,508)	(35,509)	(437)	(485)
Finance lease creditors	(6)	(19)	-	-
Interest-bearing loans and borrowings	(15,954)	(8,849)	-	-
Other payables	(5,291)	(4,425)	-	-
Amount due to subsidiaries (non-trade)	-	-	(124)	(147)
Amounts due to associates (non-trade)	-	(63)	-	-
Amounts due to associates (trade)	(527)	(340)	-	-
Provision for taxation	(519)	(570)	(24)	(29)
	<b>(57,805)</b>	<b>(49,775)</b>	<b>(585)</b>	<b>(661)</b>
<b>Net Current Assets</b>	<b>64,762</b>	<b>66,175</b>	<b>8,675</b>	<b>10,255</b>
<b>Non-Current Liabilities</b>				
Finance lease creditors	(15)	(27)	-	-
Interest-bearing loans and borrowings	(28,010)	(32,672)	-	-
Other payables	(6)	(6)	-	-
Deferred tax liabilities	(264)	(1,479)	-	-
	<b>(28,295)</b>	<b>(34,184)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>140,224</b>	<b>138,433</b>	<b>53,265</b>	<b>54,882</b>
<b>Equity</b>				
Share capital	40,725	40,725	40,725	40,725
Treasury shares	(317)	(317)	(317)	(317)
Reserves	99,668	97,762	12,857	14,474
	<b>140,076</b>	<b>138,170</b>	<b>53,265</b>	<b>54,882</b>
Non-controlling interest	148	263	-	-
<b>Total Equity</b>	<b>140,224</b>	<b>138,433</b>	<b>53,265</b>	<b>54,882</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**
**Amount repayable in one year or less, or on demand**

	As at 30 Sep 2015		As at 31 Dec 2014	
	Secured	Unsecured	Secured	Unsecured
	US\$'000	US\$'000	US\$'000	US\$'000
Finance lease creditors	(6)	-	(19)	-
Interest-bearing loans and borrowings	(8,794)	(7,160)	(5,571)	(3,278)
Total	<u>(8,800)</u>	<u>(7,160)</u>	<u>(5,590)</u>	<u>(3,278)</u>

**Amount repayable after one year**

	As at 30 Sep 2015		As at 31 Dec 2014	
	Secured	Unsecured	Secured	Unsecured
	US\$'000	US\$'000	US\$'000	US\$'000
Finance lease creditors	(15)	-	(27)	-
Interest-bearing loans and borrowings	(20,550)	(7,460)	(23,802)	(8,870)
Total	<u>(20,565)</u>	<u>(7,460)</u>	<u>(23,829)</u>	<u>(8,870)</u>

**Details of any collateral**

As at 31 December 2014 and 30 September 2015, the finance lease liabilities were secured by charge over the related lease vehicles held by subsidiaries of the Group.

As at 31 December 2014 and 30 September 2015, the secured interest bearing loans and borrowings were secured by mortgages over the related freehold & leasehold properties and fixed charges over plant & machinery owned by subsidiaries of the Group.

As at 31 December 2014 and 30 September 2015, the unsecured interest bearing loan and borrowing of subsidiaries were covered by corporate guarantees given by the Company.

**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			
	3Q 15 US\$'000	3Q 14 US\$'000	9M 15 US\$'000	9M 14 US\$'000
<b>Cash flows from operating activities</b>				
(Loss)/profit from operations before taxation	(17)	(1,012)	3,180	(1,550)
Adjustment for :				
Depreciation of property, plant and equipment	1,004	1,091	3,113	3,268
Depreciation of investment properties	39	9	66	31
Loss on disposal of property, plant and equipment	3	9	11	69
Loss on disposal of investment property	-	-	-	78
Loss/(gain) on disposal of assets held for sale	60	-	(938)	-
Interest income	(40)	(14)	(104)	(74)
Interest expenses	199	177	599	468
Exchange realignment	581	(3,112)	3,257	(2,486)
Share of loss/(profit) of associates	142	112	(501)	(252)
Allowance/(write back) of doubtful receivables	16	(70)	42	467
Inventories written down	110	113	516	197
Value of employee services received for issue of share options	15	53	64	213
Provision for restructuring costs	-	(46)	-	554
Net fair value loss on derivatives	184	-	-	-
Loss on disposal of a subsidiary	-	28	-	28
Loss on disposal of an associate	-	-	53	-
<b>Operating profit/(loss) before working capital changes</b>	<b>2,296</b>	<b>(2,662)</b>	<b>9,358</b>	<b>1,011</b>
Increase in trade and other receivables	(7,360)	(5,434)	(3,645)	(3,265)
(Increase)/decrease in inventories	(1,235)	1,009	(1,374)	(7,382)
Increase in trade and other payables	5,460	11,075	1,053	8,429
<b>Cash flows (used in)/generated from operations</b>	<b>(839)</b>	<b>3,988</b>	<b>5,392</b>	<b>(1,207)</b>
Income taxes paid	(208)	(16)	(194)	(483)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(1,047)</b>	<b>3,972</b>	<b>5,198</b>	<b>(1,690)</b>
<b>Cash flows from investing activities</b>				
Interest income received	40	14	104	74
Purchase of property, plant and equipment	(442)	(2,735)	(4,950)	(12,284)
Subsequent expenditure on investment property	(18)	(974)	(800)	(3,234)
Proceeds from disposal of property, plant and equipment	7	-	40	40
Proceeds from disposal of investment property	-	-	-	952
Proceeds from disposal of assets held for sale	-	-	1,481	-
Dividend income from an associate	-	56	-	106
Proceeds from disposal of an associate	-	-	900	-
Net cash outflow on disposal of a subsidiary	-	(38)	-	(38)
<b>Net cash flows used in investing activities</b>	<b>(413)</b>	<b>(3,677)</b>	<b>(3,225)</b>	<b>(14,384)</b>
<b>Cash flows from financing activities</b>				
Interest expenses paid	(199)	(177)	(599)	(468)
Proceeds from issuance of shares	-	-	-	5
Dividends paid to shareholders of the Company	-	-	-	(2,388)
Capital injection from non-controlling interest of a subsidiary	80	96	143	186
Repayment of interest-bearing loans and borrowings	(9,081)	(509)	(19,284)	(1,058)
Proceeds from interest-bearing loans and borrowings	9,804	2,636	22,407	10,845
Repayment of obligation under financial leases	(2)	(5)	(16)	(16)
Proceeds from obligation under finance lease	-	-	-	15
<b>Net cash flows generated from financing activities</b>	<b>602</b>	<b>2,041</b>	<b>2,651</b>	<b>7,121</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(858)</b>	<b>2,336</b>	<b>4,624</b>	<b>(8,953)</b>
Effect of exchange rate changes on cash and cash equivalents	(571)	394	(1,240)	375
Cash and cash equivalents at beginning of the period	24,591	16,356	19,778	27,664
<b>Cash and cash equivalents at end of the period</b>	<b>23,162</b>	<b>19,086</b>	<b>23,162</b>	<b>19,086</b>



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 – 3Q 15**

	Attributable to equity shareholders 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 US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance as at 1 July 15	40,725	(317)	(12,799)	1,857	112,623	142,089	137	142,226
<b>Profit/(loss) for the period</b>	-	-	-	-	597	597	(69)	528
<u>Other comprehensive (loss)/income</u>	-	-	(1,826)	-	-	(1,826)	-	(1,826)
Foreign currency translation loss	-	-	(859)	-	-	(859)	-	(859)
Share of other comprehensive loss of associates	-	-	-	-	-	-	-	-
Reversal of asset revaluation reserve from disposal of assets held for sale	-	-	-	-	60	60	-	60
<b>Total comprehensive (loss)/income for the period</b>	-	-	<b>(2,685)</b>	-	<b>657</b>	<b>(2,028)</b>	<b>(69)</b>	<b>(2,097)</b>
<u>Contributions by and distributions to owners</u>	-	-	-	15	-	15	-	15
Value of employee services received for issue of share options	-	-	-	15	-	15	-	15
<b>Total contributions by and distributions to owners</b>	-	-	-	<b>15</b>	-	<b>15</b>	-	<b>15</b>
<u>Changes in ownership interests in subsidiaries</u>	-	-	-	-	-	-	80	80
Capital injection from non-controlling interest of a subsidiary representing total changes in ownership interests in subsidiaries	-	-	-	-	-	-	80	80
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	<b>15</b>	-	<b>15</b>	<b>80</b>	<b>95</b>
<b>Balance as at 30 September 15</b>	<b>40,725</b>	<b>(317)</b>	<b>(15,484)</b>	<b>1,872</b>	<b>113,280</b>	<b>140,076</b>	<b>148</b>	<b>140,224</b>



The Group – 3Q 14

Attributable to equity shareholders of the Company									
		Foreign		Share-based		Non-		Total	
		currency		payment		controlling		equity	
Share	Treasury	Asset	Share-based	Accumulated	Total	Total	interest	Total	
capital	shares	reserve	reserve	profits	US\$'000	US\$'000	US\$'000	equity	
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
40,724	(317)	60	1,751	122,750	161,770	165	165	161,935	
		(3,198)							
-	-	-	-	(765)	(765)	(77)	(77)	(842)	
-	-	(4,063)	-	-	(4,063)	-	-	(4,063)	
-	-	(1,236)	-	-	(1,236)	-	-	(1,236)	
-	-	(5,299)	-	(765)	(6,064)	(77)	(77)	(6,141)	
<b>Loss for the period</b>									
<u>Other comprehensive loss</u>									
Foreign currency translation loss									
Share of other comprehensive loss of associates									
<b>Total comprehensive loss for the period</b>									
<u>Contributions by and distributions to owners</u>									
Value of employee services received for issue of share options									
-	-	-	53	-	53	-	-	53	
-	-	-	53	-	53	-	-	53	
<b>Total contributions by and distributions to owners</b>									
<u>Changes in ownership interests in subsidiaries</u>									
Capital injection from non-controlling interest of a subsidiary									
-	-	-	-	-	-	-	-	96	
-	-	-	-	-	-	-	(53)	(53)	
-	-	-	-	-	-	-	-	43	
<b>Total changes in ownership interests in subsidiaries</b>									
<b>Total transactions with owners in their capacity as owners</b>									
-	-	-	53	-	53	-	-	96	
40,724	(317)	60	1,804	121,985	155,759	131	131	155,890	
		(8,497)							

Balance as at 30 September 14

**The Group – 9M 15**

**Attributable to equity shareholders 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	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000
Balance as at 1 January 15	40,725	(317)	(13,962)	60	1,808	109,856	138,170	263	138,433
<b>Profit/(loss) for the period</b>	-	-	-	-	-	<b>3,364</b>	<b>3,364</b>	<b>(258)</b>	<b>3,106</b>
<u>Other comprehensive (loss)/income</u>	-	-	(666)	-	-	-	(666)	-	(666)
Foreign currency translation loss	-	-	(856)	-	-	-	(856)	-	(856)
Share of other comprehensive loss of associates	-	-	-	-	-	-	-	-	-
Reversal of asset revaluation reserve from disposal of assets held for sale	-	-	-	(60)	-	60	-	-	-
<b>Total comprehensive (loss)/income for the period</b>	-	-	<b>(1,522)</b>	<b>(60)</b>	-	<b>3,424</b>	<b>1,842</b>	<b>(258)</b>	<b>1,564</b>
<u>Contributions by and distributions to owners</u>	-	-	-	-	64	-	64	-	64
Value of employee services received for issue of share options	-	-	-	-	64	-	64	-	64
<b>Total contributions by and distributions to owners</b>	-	-	-	-	<b>64</b>	-	<b>64</b>	-	<b>64</b>
<u>Changes in ownership interests in subsidiaries</u>	-	-	-	-	-	-	-	143	143
Capital injection from non-controlling interest of a subsidiary representing total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	143	143
<b>Total transactions with owners in their capacity as owners</b>	-	-	-	-	<b>64</b>	-	<b>64</b>	<b>143</b>	<b>207</b>
<b>Balance as at 30 September 15</b>	<b>40,725</b>	<b>(317)</b>	<b>(15,484)</b>	-	<b>1,872</b>	<b>113,280</b>	<b>140,076</b>	<b>148</b>	<b>140,224</b>



**The Group – 9M 14**

Attributable to equity shareholders of the Company									
Foreign									
Share capital US\$'000	Treasury shares US\$'000	currency translation reserve US\$'000	Asset revaluation reserve US\$'000	Share-based payment reserve US\$'000	Accumulated profits US\$'000	Total US\$'000	Non-controlling interest US\$'000	Total equity US\$'000	
40,719	(317)	(1,578)	60	1,591	125,477	165,952	284	166,236	
-	-	-	-	-	(1,104)	(1,104)	(286)	(1,390)	
-	-	(5,455)	-	-	-	(5,455)	-	(5,455)	
-	-	(1,464)	-	-	-	(1,464)	-	(1,464)	
-	-	(6,919)	-	-	(1,104)	(8,023)	(286)	(8,309)	
Contributions by and distributions to owners									
-	-	-	-	213	-	213	-	213	213
5	-	-	-	-	-	5	-	5	5
-	-	-	-	-	(2,388)	(2,388)	-	(2,388)	(2,388)
<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213</b>	<b>(2,388)</b>	<b>(2,170)</b>	<b>-</b>	<b>(2,170)</b>	<b>(2,170)</b>
Changes in ownership interests in subsidiaries									
-	-	-	-	-	-	-	186	186	186
-	-	-	-	-	-	-	(53)	(53)	(53)
-	-	-	-	-	-	-	133	133	133
<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>213</b>	<b>(2,388)</b>	<b>(2,170)</b>	<b>133</b>	<b>(2,037)</b>	<b>(2,037)</b>
<b>40,724</b>	<b>(317)</b>	<b>(8,497)</b>	<b>60</b>	<b>1,804</b>	<b>121,985</b>	<b>155,759</b>	<b>131</b>	<b>155,890</b>	<b>155,890</b>

**The Company – 3Q**

	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 July 15	40,725	(317)	3,488	1,857	8,318	54,071
<b>Loss for the period</b>	-	-	-	-	(296)	(296)
<u>Other comprehensive loss</u>						
Foreign currency translation loss	-	-	(525)	-	-	(525)
<b>Total comprehensive loss for the period</b>	-	-	(525)	-	(296)	(821)
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	15	-	15
<b>Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners</b>	-	-	-	15	-	15
<b>Balance as at 30 September 15</b>	<b>40,725</b>	<b>(317)</b>	<b>2,963</b>	<b>1,872</b>	<b>8,022</b>	<b>53,265</b>
Balance as at 1 July 14	40,724	(317)	4,163	1,751	2,507	48,828
<b>Profit for the period</b>	-	-	-	-	602	602
<u>Other comprehensive (loss)/income</u>						
Foreign currency translation loss	-	-	(88)	-	-	(88)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(88)	-	602	514
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	53	-	53
<b>Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners</b>	-	-	-	53	-	53
<b>Balance as at 30 September 14</b>	<b>40,724</b>	<b>(317)</b>	<b>4,075</b>	<b>1,804</b>	<b>3,109</b>	<b>49,395</b>

**The Company – 9M**

	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 January 15	40,725	(317)	3,669	1,808	8,997	54,882
<b>Loss for the period</b>	-	-	-	-	(975)	(975)
<u>Other comprehensive loss</u>						
Foreign currency translation loss	-	-	(706)	-	-	(706)
<b>Total comprehensive loss for the period</b>	-	-	(706)	-	(975)	(1,681)
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	64	-	64
<b>Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners</b>	-	-	-	64	-	64
<b>Balance as at 30 September 15</b>	<b>40,725</b>	<b>(317)</b>	<b>2,963</b>	<b>1,872</b>	<b>8,022</b>	<b>53,265</b>
Balance as at 1 January 14	40,719	(317)	4,093	1,591	5,021	51,107
<b>Profit for the period</b>	-	-	-	-	476	476
<u>Other comprehensive (loss)/income</u>						
Foreign currency translation loss	-	-	(18)	-	-	(18)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(18)	-	476	458
<u>Contributions by and distributions to owners</u>						
Value of employee services received for issue of share options	-	-	-	213	-	213
Issuance of new shares	5	-	-	-	-	5
Dividends paid to equity shareholders of the Company	-	-	-	-	(2,388)	(2,388)
<b>Total contributions by and distributions to owners, representing total transactions with owners in their capacity as owners</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>213</b>	<b>(2,388)</b>	<b>(2,170)</b>
<b>Balance as at 30 September 14</b>	<b>40,724</b>	<b>(317)</b>	<b>4,075</b>	<b>1,804</b>	<b>3,109</b>	<b>49,395</b>

**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: -

	<u>FY 2015</u>	<u>FY 2014</u>
<b><u>Share Capital</u></b>		
Number of issued ordinary shares as at 1 Jan (excluding treasury shares)	533,741,999	533,721,999
Issued for cash under employee share option scheme		
- at the exercise price of S\$0.335 each	-	20,000
Ordinary shares held as treasury shares	(1,001,000)	(1,001,000)
Balance of issued ordinary shares as at 31 Mar and 30 Jun and 30 Sep (excluding treasury shares)	<u>532,740,999</u>	<u>532,740,999</u>
<b><u>Share Option - exercise price of S\$0.229</u></b>		
Balance as at 1 Jan and 31 Mar	-	100,000
Options lapsed during the period	-	(100,000)
Balance as at 30 Jun and 30 Sep	<u>-</u>	<u>-</u>
<b><u>Share Option - exercise price of S\$0.335</u></b>		
Balance as at 1 Jan	2,840,000	3,110,000
Options exercised during the period	-	(20,000)
Balance as at 31 Mar and 30 Jun and 30 Sep	<u>2,840,000</u>	<u>3,090,000</u>
<b><u>Share Option - exercise price of S\$0.505</u></b>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep	<u>3,630,000</u>	<u>3,880,000</u>
<b><u>Share Option - exercise price of S\$0.315</u></b>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep	<u>3,672,000</u>	<u>3,922,000</u>
<b><u>Share Option - exercise price of S\$0.669</u></b>		
Balance as at 1 Jan and 31 Mar and 30 Jun and 30 Sep	<u>4,630,000</u>	<u>4,880,000</u>

Out of the 14,772,000 outstanding share options on 30 September 2015 (30 September 2014: 15,772,000), 13,383,000 (30 September 2014: 11,563,000) share options are exercisable.

**Treasury Shares**

As at 30 September 2015, the total number of treasury shares held was 1,001,000 (30 September 2014: 1,001,000).

**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: -

	<b>Group</b>	
	<u>As at 30 Sep 2015</u>	<u>As at 31 Dec 2014</u>
Issued ordinary shares	532,740,999	532,740,999

**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 2014, except for the adoption of new/revised FRS which came into effect on 1 January 2015.

**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 new/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	
	3Q 15	3Q 14	9M 15	9M 14
<b>Profit/(loss) per share</b>				
Based on existing issued share capital (USD cents)	0.11	(0.14)	0.63	(0.21)
On a fully diluted basis (USD cents)	0.11	(0.14)	0.63	(0.21)
	Group		Group	
	3Q 15	3Q 14	9M 15	9M 14
<b>Weighted average number of shares table</b>				
Weighted average number of shares for calculation of basic EPS	532,740,999	532,740,999	532,740,999	532,734,845
Weighted average number of shares for calculation of diluted EPS	532,740,999	532,740,999	532,740,999	532,734,845

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-Sep-15	31-Dec-14	30-Sep-15	31-Dec-14
Net asset value per ordinary share (USD cents)	26.29	25.94	10.00	10.30

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.**

Revenue for the nine months ended 30 September 2015 ("9M2015") was US\$169.5 million, a year-on-year ("yoy") decline of 11.7% compared with the US\$191.9 million revenue recorded in 9M2014. The Group registered a net profit after tax of US\$3.1 million for 9M2015, compared with a net loss of US\$1.4 million in 9M2014.

On a quarterly basis, revenue for the third quarter ended 30 September 2015 ("3Q2015") decreased 15.0% to US\$61.7 million. Profit after tax for the quarter was US\$0.5 million compared with a net loss of US\$0.8 million recorded in 3Q2014.

**Revenue by Markets (US\$'000)**

	Group			Group		
	3Q 15 US\$'000	3Q 14 US\$'000	Increase/ (Decrease) %	9M 15 US\$'000	9M 14 US\$'000	Increase/ (Decrease) %
Russia	28,414	40,509	(29.9)	81,198	110,703	(26.7)
Ukraine	7,564	8,512	(11.1)	18,230	21,167	(13.9)
Kazakhstan and CIS Countries	9,472	14,085	(32.8)	25,320	35,521	(28.7)
Other Markets	16,202	9,466	71.2	44,801	24,540	82.6
Total	61,652	72,572	(15.0)	169,549	191,931	(11.7)

In 9M2015, sales to the Group's largest market, Russia, decreased by 26.7% to US\$81.2 million compared to US\$110.7 million due to weakening of the Russian Ruble against the US dollar.

In the Group's Ukraine market, sales declined by 13.9% from US\$21.2 million in 9M2014 to US\$18.2 million in 9M2015 due to weakening of the Ukrainian Hryvnia against the US dollar.

In local currency terms, both Russia and Ukraine recorded higher revenue due to higher selling prices.

In the Group's Kazakhstan market and CIS countries, sales decreased by 28.7% from US\$35.5 million in 9M2014 to US\$25.3 million in 9M2015 due to soft consumer sentiment and the weakening of local currencies.

Sales to the Group's Other Markets grew by 82.6% from US\$24.5 million in 9M2014 to US\$44.8 million in 9M2015, due to higher sales contribution from South East Asia and the non-dairy creamer plant and snack factory in Malaysia.

On a quarterly basis, the Group's revenue in 3Q2015 was US\$61.7 million, a decrease of 15.0% compared to 3Q2014. Sales to the Group's largest market, Russia, decreased by 29.9% compared to the same quarter in 2014. Sales to the Group's Ukraine market decreased by 11.1% for the quarter, sales to the Group's Kazakhstan market and CIS countries decreased by 32.8% for the quarter; while sales for Other Markets increased by 71.2% for the quarter.

### **Profitability**

For 9M2015, the Group recorded a net profit after tax of US\$3.1 million compared to a net loss of US\$1.4 million in 9M2014. For 3Q2015, the Group's net profit after tax was US\$0.5 million compared to a net loss of US\$0.8 million in 3Q2014.

For 9M2015, other operating expenses decreased by US\$13.3 million from US\$47.7 million in 9M2014 to US\$34.4 million. For 3Q2015, other operating expenses decreased by US\$4.8 million from US\$17.0 million in 3Q2014 to US\$12.2 million. The decrease was mainly attributed to lower expenses for promotion activities, freight and demurrage charges and manufacturing overheads.

In 9M2015, the Ukrainian Hryvnia weakened from 15.8 Hryvnia per US dollar on 31 December 2014 to 21.5 Hryvnia per US dollar on 30 September 2015. Over the same period, the Russian Ruble weakened from 56.3 Ruble per US dollar on 31 December 2014 to 66.2 Ruble per US dollar on 30 September 2015. As the Group is economically exposed to both markets, it was negatively affected by the revaluation of its outstanding trade receivables denominated in currencies other than the US dollar.

### **Balance Sheet & Cashflow**

Other payables increased from US\$4.4 million as at 31 December 2014 to US\$5.3 million as at 30 September 2015 due to higher VAT (value-added tax) payables.

Inventories increased from US\$45.7 million as at 31 December 2014 to US\$46.5 million as at 30 September 2015 because of the stock-up of inventories.

Trade receivables increased from US\$40.4 million as at 31 December 2014 to US\$43.6 million as at 30 September 2015 mainly due to increased sales in local currency terms partially offset by the translation loss of its outstanding trade receivables denominated in currencies other than the US dollar.

The Group's borrowings were US\$44.0 million as at 30 September 2015, compared to US\$41.6 million as at 31 December 2014. The increase was largely attributed to trade borrowings taken up for Malaysia and India operations partially offset by repayments.

The Group's net operating cash flow position improved, with a net operating cash inflow of US\$5.2 million in 9M2015, compared to a net operating cash outflow of US\$1.7 million in 9M2014. The Group's cash and cash equivalents was US\$23.2 million as at 30 September 2015, compared to US\$19.8 million as at 31 December 2014.

The Group's net assets as at 30 September 2015 were US\$140.2 million. The net asset value per ordinary share (excluding non-controlling interests) as at 30 September 2015 was 26.29 US cents as compared to 25.94 US cents as at 31 December 2014.

**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.**

The decline in global oil prices in 3Q2015 continues to exert downward pressure on the currencies of some of the Group's key markets in 3Q2015. Oil prices are expected to remain soft in the short-to-medium term, which may affect growth prospects in these markets.

The Group continues to monitor the macro environment closely and has taken steps to mitigate its currencies' impact through measures such as currency hedging and price increases of selective products, as well as to streamline or rationalize certain operations and business processes, where appropriate.

On the other hand, the Group's efforts to diversify its markets have gained traction, leading to meaningful growth in Asia. The Group is also making an initial foray into the fast growing beverage capsule business through an Italian joint venture to produce and market capsule for coffee and other beverages.

The Group has announced that it is exploring potential fund raising opportunities that would allow the Group to explore potential business opportunities amid continuing volatility in its key markets.

The Group's non-dairy creamer plant, snack factory and the beverage manufacturing facility in Malaysia have all commenced commercial production and are on track to achieve better performances. The Group's other project, an instant coffee plant in India, has commenced commercial production in the fourth quarter of 2015.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared for the current financial period.



- 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 a general mandate from shareholders for IPTs.

- 14. Confirmation by the Board Pursuant to Rule 705(5) of the SGX-ST Listing Manual**

We, Tan Wang Cheow and Sudeep Nair, being two 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 30 September 2015 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**  
**13 November 2015**