

Financial Statements

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Directors' Report

year ended 31 December 2004

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2004.

Directors

The directors in office at the date of this report are as follows:

George Huang Chang Yi
 Peter Tay Buan Huat
 Philip Tan Yuen Fah
 Patrick Yeoh Khwai Hoh
 Roger Yeo Kok Tong
 Chow Kok Kee
 John Lim Kok Min

Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, share options and share-based incentives in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Exercise price per share	Exercise Period	Holdings at beginning of the year	Holdings at end of the year
The Company				
<u>Ordinary shares of \$0.05 each fully paid</u>				
George Huang Chang Yi			40,000	110,000
Peter Tay Buan Huat			880,000	1,869,600
Philip Tan Yuen Fah			20,000	40,000
John Lim Kok Min			3,000	3,000
Patrick Yeoh Khwai Hoh			-	95,000
<u>Options to subscribe for ordinary shares of \$0.05 each*</u>				
George Huang Chang Yi	\$0.78	30/10/2001 to 29/10/2004	20,000	-
	\$0.55	24/08/2001 to 23/08/2005	70,000	-
	\$0.69	28/07/2002 to 27/07/2006	50,000	50,000
	\$0.78	09/08/2003 to 08/08/2007	50,000	50,000
	\$0.76	05/08/2004 to 04/08/2008	120,000	120,000
	\$0.80	10/06/2005 to 09/06/2009	-	120,000
Peter Tay Buan Huat	\$0.78	30/10/2001 to 29/10/2009	700,000	700,000
	\$0.55	24/08/2001 to 23/08/2010	500,000	-
	\$0.69	28/07/2002 to 27/07/2011	750,000	600,000
	\$0.78	09/08/2003 to 08/08/2012	750,000	750,000
	\$0.76	05/08/2004 to 04/08/2013	750,000	750,000
	\$0.80	10/06/2005 to 09/06/2014	-	750,000

Directors' Report

year ended 31 December 2004

Directors' Interests (cont'd)

Name of director and corporation in which interests are held	Exercise price per share	Exercise Period	Holdings at beginning of the year	Holdings at end of the year
The Company				
<u>Options to subscribe for ordinary shares of \$0.05 each*</u>				
Philip Tan Yuen Fah	\$0.78	30/10/2001 to 29/10/2004	20,000	-
	\$0.55	24/08/2001 to 23/08/2005	100,000	100,000
	\$0.69	28/07/2002 to 27/07/2006	70,000	70,000
	\$0.78	09/08/2003 to 08/08/2007	70,000	70,000
	\$0.76	05/08/2004 to 04/08/2008	70,000	70,000
	\$0.80	10/06/2005 to 09/06/2009	-	70,000
Patrick Yeoh Khwai Hoh	\$0.55	24/08/2001 to 23/08/2005	50,000	-
	\$0.69	28/07/2002 to 27/07/2006	30,000	7,500
	\$0.78	09/08/2003 to 08/08/2007	30,000	15,000
	\$0.76	05/08/2004 to 04/08/2008	30,000	22,500
	\$0.80	10/06/2005 to 09/06/2009	-	30,000
Roger Yeo Kok Tong	\$0.69	28/07/2002 to 27/07/2006	30,000	30,000
	\$0.78	09/08/2003 to 08/08/2007	30,000	30,000
	\$0.76	05/08/2004 to 04/08/2008	30,000	30,000
	\$0.80	10/06/2005 to 09/06/2009	-	30,000
Chow Kok Kee	\$0.69	28/07/2002 to 27/07/2006	30,000	30,000
	\$0.78	09/08/2003 to 08/08/2007	50,000	50,000
	\$0.76	05/08/2004 to 04/08/2008	60,000	60,000
	\$0.80	10/06/2005 to 09/06/2009	-	60,000
John Lim Kok Min	\$0.76	05/08/2004 to 04/08/2008	30,000	30,000
	\$0.80	10/06/2005 to 09/06/2009	-	30,000
<u>Conditional awards of Performance Shares</u>				
Peter Tay Buan Huat				
- 380,000 shares to be delivered after 2003 (note 1a)			Up to 760,000	-
- 380,000 shares to be delivered after 2004 (note 1b)			Up to 760,000	Up to 760,000
- 420,000 shares to be delivered after 2005 (note 1c)			Up to 840,000	Up to 840,000
- 420,000 shares to be delivered after 2006 (note 1d)			-	Up to 840,000
Related Corporations				
CapitaLand Limited				
<u>Ordinary shares of \$1.00 each fully paid</u>				
George Huang Chang Yi			2,500	2,500
Peter Tay Buan Huat			17,000	17,000
John Lim Kok Min			21,500	21,500

Directors' Report

year ended 31 December 2004

Directors' Interests (cont'd)

Name of director and corporation in which interests are held	Exercise price per share	Exercise Period	Holdings at beginning of the year	Holdings at end of the year
Related Corporations				
Chartered Semiconductor Manufacturing Ltd				
<u>Ordinary shares of \$0.26 each fully paid</u>				
Peter Tay Buan Huat			5,193	5,193
John Lim Kok Min			2,000	2,000
<u>Options to subscribe for ordinary shares of \$0.26 each*</u>				
Philip Tan Yuen Fah	\$1.70	27/02/2005 to 27/02/2009	-	85,000
Eugenics Ltd				
<u>Ordinary shares of \$0.01 each fully paid</u>				
(held in trust by United Overseas Bank Trustee Limited)				
Roger Yeo Kok Tong			500,000	500,000
Raffles Holdings Limited				
<u>Ordinary shares of \$0.32 each fully paid</u>				
Patrick Yeoh Khwai Hoh			150,000	150,000
SembCorp Industries Ltd				
<u>Ordinary shares of \$0.25 each fully paid</u>				
George Huang Chang Yi			1,475	1,475
Peter Tay Buan Huat			37,720	2,720
John Lim Kok Min			10,000	10,000
<u>Options to subscribe for ordinary shares of \$0.25 each*</u>				
Peter Tay Buan Huat	\$2.26	20/05/2001 to 19/05/2009	175,000	175,000
	\$1.99	27/06/2001 to 26/06/2010	25,000	25,000
	\$1.55	20/04/2002 to 19/04/2011	25,000	25,000
	\$1.59	08/05/2003 to 07/05/2012	12,500	12,500
	\$0.98	18/10/2003 to 17/10/2012	12,500	12,500
SIA Engineering Company Limited				
<u>Ordinary shares of \$0.10 each fully paid</u>				
John Lim Kok Min			1,000	1,000
Singapore Airlines Limited				
<u>Ordinary shares of \$0.50 each fully paid</u>				
George Huang Chang Yi			2,000	2,000
Patrick Yeoh Khwai Hoh			5,000	15,000
Singapore Airport Terminal Services Limited				
<u>Ordinary shares of \$0.10 each fully paid</u>				
John Lim Kok Min			1,000	1,000
Peter Tay Buan Huat			-	20,000

Directors' Report

year ended 31 December 2004

Directors' Interests (cont'd)

Name of director and corporation in which interests are held	Exercise price per share	Exercise Period	Holdings at beginning of the year	Holdings at end of the year
Related Corporations				
Singapore Technologies Engineering Ltd				
<u>Ordinary shares of \$0.10 each fully paid</u>				
George Huang Chang Yi			18,022	18,022
Philip Tan Yuen Fah			25,686	25,686
Patrick Yeoh Khwai Hoh			5,000	-
John Lim Kok Min			48,525	48,525
<u>Options to subscribe for ordinary shares of \$0.10 each*</u>				
Philip Tan Yuen Fah	\$2.72	20/02/2002 to 19/02/2006	95,000	95,000
	\$2.29	08/02/2003 to 07/02/2007	55,000	55,000
	\$1.79	07/02/2004 to 06/02/2008	27,500	27,500
	\$1.86	12/08/2004 to 11/08/2008	27,500	27,500
Singapore Telecommunications Limited				
<u>Ordinary shares of \$0.15 each fully paid</u>				
Peter Tay Buan Huat			3,760	3,500
Philip Tan Yuen Fah			3,620	3,370
Patrick Yeoh Khwai Hoh			3,480	3,240
Roger Yeo Kok Tong			60,540	65,430
Chow Kok Kee			3,360	3,120
John Lim Kok Min			86,000	79,860
STATS ChipPAC Ltd (formerly known as ST Assembly Test Services Ltd)				
<u>Ordinary shares of \$0.25 each fully paid</u>				
Peter Tay Buan Huat			6,000	#
John Lim Kok Min			6,000	#
# ceased to be a related corporation with effect from 5 th August 2004.				
STT Communications Ltd				
<u>Options to subscribe for ordinary shares of \$0.50 each*</u>				
Peter Tay Buan Huat	\$0.50	24/11/2002 to 30/03/2005	5,000	5,000
The Ascott Group Limited				
<u>Ordinary shares of \$0.20 each fully paid</u>				
Philip Tan Yuen Fah			35,181	35,181
John Lim Kok Min			8,370	8,370
<u>Options to subscribe for ordinary shares of \$0.20 each*</u>				
Peter Tay Buan Huat	\$0.37	20/12/2001 to 19/12/2010	9,000	9,000
	\$0.32	29/06/2002 to 28/06/2011	8,000	8,000

Directors' Report

year ended 31 December 2004

Directors' Interests (cont'd)

Name of director and corporation in which interests are held	Exercise price per share	Exercise Period	Holdings at beginning of the year	Holdings at end of the year
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Related Corporations

Vertex Technology Fund (II) Ltd

Ordinary shares of US\$1.00 each fully paid

(held in trust by Ballas Nominees (Private) Limited)

Peter Tay Buan Huat			50	50
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Redeemable preference shares of US\$0.01 each fully paid

(held in trust by Ballas Nominees (Private) Limited)

Peter Tay Buan Huat			50	50
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* The vesting of the options is in accordance with the vesting schedule, if any, attached to the options.

Note 1(a) : 380,000 shares are comprised in the conditional awards granted to him. The actual number of shares to be delivered depended on the level of achievement of set performance targets in SFI over a 3 year period from 2001 to 2003. Achievement below 80% target level meant no performance shares would be delivered, while achievement up to 200% meant that up to twice the number of conditional performance shares awarded could be delivered. For this period, Peter Tay Buan Huat was awarded 539,600 new shares on 2 April 2004 based on the level of achievement of targets set. The balance of the conditional award covering the period from 2001 to 2003 has thus lapsed.

Note 1(b) : 380,000 shares are comprised in the conditional awards granted to him. The actual number of shares to be delivered depended on the level of achievement of set performance targets in SFI over a 3 year period from 2002 to 2004. Achievement below 80% target level meant no performance shares would be delivered, while achievement up to 200% meant that up to twice the number of conditional performance shares could be delivered.

Note 1(c) : 420,000 shares are comprised in the conditional awards granted to him. The actual number of shares to be delivered depended on the level of achievement of set performance targets in SFI over a 3 year period from 2003 to 2005. Achievement below 80% target level meant no performance shares would be delivered, while achievement up to 200% meant that up to twice the number of conditional performance shares could be delivered.

Note 1(d) : 420,000 shares are comprised in the conditional awards granted to him. The actual number of shares to be delivered depended on the level of achievement of set performance targets in SFI over a 3 year period from 2004 to 2006. Achievement below 80% target level meant no performance shares would be delivered, while achievement up to 200% meant that up to twice the number of conditional performance shares could be delivered.

Except as disclosed above, no director who held office at the end of the financial year had interests in shares, debentures, warrants, share options or share-based incentives of the Company or of related corporations either at the beginning or at the end of the financial year.

There was no change in any of the above mentioned interests in the Company between the end of the financial year and 21 January 2005 except for George Huang Chang Yi and Philip Tan Yuen Fah who held 145,000 shares and 140,000 shares at 21 January 2005 respectively as a result of the exercise of share options held.

Except as disclosed under the "Share Options" and "Share-Based Incentives" sections of this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Directors' Report

year ended 31 December 2004

Share Options

(a) Singapore Food Industries Share Option Plan ("Option Plan")

The Option Plan was approved and adopted at the Extraordinary General Meeting of the Company held on 28 October 1999. The main features of the Option Plan are summarised as follows:

- (i) The exercise price of the options can be set at a discount to the market price not exceeding 20% of the market price in respect of options granted at the time of grant.
- (ii) The 1999 options vested on the 2nd anniversary of the grant date. From 2000 onwards, options granted will vest 25% each on the 1st to the 4th anniversary of the grant date.
- (iii) The options granted expire after 5 years from the date of the grant for non-executive directors and 10 years for group and parent group executives.

The Option Plan is administered by the Executive Resource and Compensation Committee ("ERCC") which comprises the following members:-

George Huang Chang Yi
 Philip Tan Yuen Fah
 Chow Kok Kee
 Kuan Kwee Jee (Resigned with effect from 31 December 2004)

(b) Options Granted

During the financial year, the following options were granted under the Plan:-

Options Category	No. of Holders	Exercise period	Exercise price (per share)	No. of shares under options
Group executives (including 1 group executive director)	1,080	10/06/2005 to 09/06/2014	\$0.80	5,749,500
Non-executive directors	7	10/06/2005 to 09/06/2009	\$0.80	370,000
	<u>1,087</u>			<u>6,119,500</u>

(c) Issue of Shares Under Option

During the financial year, the Company issued a total of 3,401,300 ordinary shares of \$0.05 each fully paid at exercise prices ranging from \$0.55 to \$0.78 per share for cash upon the exercise of options granted under the Company's share option plan.

Directors' Report

year ended 31 December 2004

Share Options (cont'd)

(d) Unissued Shares Under Option

At the end of the financial year, unissued shares of the Company under option were as follows:-

Option Granted	No. of Holders	Exercise period	Exercise price (per share)	Aggregate Options Outstanding
1999 options	99	30/10/2001 to 29/10/2009	\$0.78	2,372,000
2000 options	2 227	24/08/2001 to 23/08/2005 24/08/2001 to 23/08/2010	\$0.55 \$0.55	160,000 1,038,950
2001 options	8 658	28/07/2002 to 27/07/2006 28/07/2002 to 27/07/2011	\$0.69 \$0.69	397,500 3,649,500
2002 options	8 686	09/08/2003 to 08/08/2007 09/08/2003 to 08/08/2012	\$0.78 \$0.78	385,000 4,284,250
2003 options	8 650	05/08/2004 to 04/08/2008 05/08/2004 to 04/08/2013	\$0.76 \$0.76	382,500 4,441,500
2004 options	7 678	10/06/2005 to 09/06/2009 10/06/2005 to 09/06/2014	\$0.80 \$0.80	370,000 4,791,500
				22,272,700

The details of options granted and exercised during the year were as follows:-

Option Participants	Options Granted [1]	Aggregate Options Granted [2]	Aggregate Options Cancelled/ not accepted [3]	Aggregate Options Exercised [4]	Aggregate Options Outstanding [5]
Directors of the Company					
- George Huang Chang Yi	120,000	430,000	20,000	70,000	340,000
- Peter Tay Buan Huat	750,000	4,700,000	-	1,150,000	3,550,000
- Philip Tan Yuen Fah	70,000	400,000	-	20,000	380,000
- Patrick Yeoh Khwai Hoh	30,000	170,000	-	95,000	75,000
- Roger Yeo Kok Tong	30,000	120,000	-	-	120,000
- Chow Kok Kee	60,000	200,000	-	-	200,000
- John Lim Kok Min	30,000	60,000	-	-	60,000
Directors of subsidiaries	30,000	555,000	175,000	100,000	280,000
Other executives					
- Group	4,969,500	27,338,500	6,863,750	3,812,050	16,662,700
- Parent Group	30,000	1,178,000	95,500	477,500	605,000
	6,119,500	35,151,500	7,154,250	5,724,550	22,272,700

[1] Options granted during the financial year under review.

[2] Aggregate options granted since commencement of the Plan to the end of financial year under review.

[3] Aggregate options not accepted since commencement of the Plan to end of financial year under review.

[4] Aggregate options exercised since commencement of the Plan to end of financial year under review.

[5] Aggregate options outstanding as at end of financial year under review.

Directors' Report

year ended 31 December 2004

Share Options (cont'd)

(d) Unissued Shares Under Option (cont'd)

Since the commencement of the Option Plan, no options have been granted to the controlling shareholders of the Company or their associates and no participant under the Option Plan, other than Peter Tay Buan Huat, has been granted 5% or more of the total options available under the Option Plan. No options have been granted at a discount to market price.

The options granted by the Company do not entitle the holders of the options, by virtue of such holdings, to any right to participate in any share issue of any other company.

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under option as at the end of the financial year.

(e) Financial Effect of Options Granted

The Company has not recognised compensation expense for the share options granted under the Option Plan. Had the Company accounted for the fair value of the options and amortised it over the vesting period, the effect on the financial statements would not be significant.

Share-Based Incentives

(a) Performance Share Plan

The Singapore Food Industries Performance Share Plan (the "Performance Plan") was approved at the Extraordinary General Meeting of the Company held on 30 March 2001. The Performance Plan was established with the objective of motivating senior executives to strive for superior performance and sustaining long-term growth for the Company. The Performance Plan is administered by the ERCC. Details of the Performance Plan were set out in the Directors' Report for the year ended 31 December 2001.

During the financial year, conditional awards aggregating up to a maximum of 2,640,000 performance shares were granted to nine key executives of the Company for the performance qualifying period of 2004 to 2006 depending on the achievement level. The key executives include Peter Tay Buan Huat, an executive director of the Board, who was conditionally awarded up to 840,000 performance shares.

During the financial year, the Company awarded 1,164,400 ordinary shares of \$0.05 each fully paid from the Performance Share Trust Fund for the 2001 Performance Share Award at the end of the prescribed performance period. Of these, 539,600 ordinary shares of \$0.05 each fully paid were awarded to Peter Tay Buan Huat based on the level of achievement of the performance targets at the end of the prescribed performance period 2001 to 2003, set out under the conditional award on 22 May 2001 under the Singapore Food Industries Performance Share Plan.

At the end of the financial year, unissued shares of the Company under conditional awards granted under the Performance Plan were as follows : -

Conditional Awards Granted	No. of Holders	Performance Period	Maximum Aggregate Conditional Award
2002 conditional awards	6	2002 to 2004	Up to 1,910,000
2003 conditional awards	9	2003 to 2005	Up to 2,690,000
2004 conditional awards	9	2004 to 2006	Up to 2,640,000
			Up to 7,240,000
Granted to:			
Executive director – Peter Tay Buan Huat			Up to 2,440,000
Other executives			Up to 4,800,000
			Up to 7,240,000

The maximum aggregate award of performance shares, aggregated with the share options under the Option Plan total up to 35,237,250 shares under options/awards and is within the 15% limit, based on the issued share capital of the Company on the day preceding the relevant date of grant of options/awards, allowed collectively under the Option Plan, the Performance Plan and the Restricted Stock Plan.

Directors' Report

year ended 31 December 2004

Share-Based Incentives (cont'd)

(b) Restricted Stock Plan

The Singapore Food Industries Restricted Stock Plan (the "Restricted Plan") was approved at the Extraordinary General Meeting of the Company held on 30 March 2001. The Restricted Plan is administered by the ERCC. Details of the Restricted Plan were set out in the Directors' Report for the year ended 31 December 2001.

No awards have been granted under the Restricted Stock Plan since its inception.

Audit Committee

The members of the Audit Committee during the financial year and at the date of this report are:-

Philip Tan Yuen Fah	(Chairman, Non-executive director)
Patrick Yeoh Khwai Hoh	(Non-executive director)
John Lim Kok Min	(Non-executive director)

The Audit Committee performs the functions specified in section 201B of the Companies Act, the Code of Corporate Governance and the Listing Manual of the Singapore Exchange.

The Audit Committee has held four meetings since the last directors' report. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and their evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:-

- assistance provided by the Company's officers to the internal and external auditors;
- financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Auditors

The auditors, KPMG, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



George Huang Chang Yi
Director



Peter Tay Buan Huat
Director

Singapore
26 January 2005

Statement by Directors

year ended 31 December 2004

In our opinion:

- (a) the financial statements set out on pages 51 to 83 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2004 and of the results, changes in equity and cash flows of the Group and of the results and changes in equity of the Company for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors



George Huang Chang Yi
Director



Peter Tay Buan Huat
Director

Singapore
26 January 2005

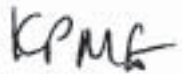
Report of the Auditors to the Members of Singapore Food Industries Limited

We have audited the accompanying financial statements of Singapore Food Industries Limited for the year ended 31 December 2004 as set out on pages 51 to 83. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the consolidated financial statements of the Group and the balance sheet, profit and loss statement and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2004 and of the results, changes in equity and cash flows of the Group and of the results and changes in equity of the Company for the year ended on that date; and
- (b) the accounting and other records (excluding registers) required by the Act to be kept by the Company and by the subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



KPMG
Certified Public Accountants

Singapore
26 January 2005

Balance Sheets

as at 31 December 2004

	Note	Group		Company	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Non-Current Assets					
Property, plant and equipment	3	146,749	104,133	6,869	8,985
Intangible assets	4	44,936	49,278	-	-
Subsidiaries	5	-	-	109,385	109,385
Jointly controlled entity	6	184	130	50	50
Other assets	7	475	477	243	243
Deferred tax assets	8	1,545	1,854	884	711
		193,889	155,872	117,431	119,374
Current Assets					
Inventories	9	35,175	33,895	14,255	17,611
Trade and other receivables	10	96,270	77,832	37,596	35,739
Cash and bank balances		15,665	10,186	9,331	4,044
		147,110	121,913	61,182	57,394
Current Liabilities					
Bank overdrafts (secured)	15	17,116	4,909	-	-
Trade and other payables	14	119,417	92,353	66,580	54,093
Interest-bearing bank loans and borrowings	15	21,765	18,176	1,875	7,500
Current tax payable		13,418	14,592	8,784	9,588
		171,716	130,030	77,239	71,181
Net Current Liabilities		(24,606)	(8,117)	(16,057)	(13,787)
Less:					
Non-Current Liabilities					
Interest-bearing bank loans and borrowings	15	28,204	21,044	16,000	17,875
Equity compensation benefits	16	789	2	789	2
Deferred tax liabilities	8	2,086	994	-	-
		31,079	22,040	16,789	17,877
Minority Interests		8,764	8,682	-	-
Net Assets		129,440	117,033	84,585	87,710
Capital and Reserves					
Share capital	17	25,286	25,116	25,286	25,116
Reserves	18	104,154	91,917	59,299	62,594
Shareholders' Equity		129,440	117,033	84,585	87,710

The accompanying notes form an integral part of these financial statements.

Profit and Loss Accounts

year ended 31 December 2004

	Note	Group		Company	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Revenue	19	596,491	534,370	227,710	219,947
Cost of sales		(434,841)	(396,059)	(184,764)	(179,470)
Gross profit		161,650	138,311	42,946	40,477
Other income, net		5,202	2,395	8,626	7,194
Operating expenses -					
Warehousing, selling and distribution expenses		(35,172)	(32,146)	(15,215)	(15,001)
Administrative and other operating expenses		(82,600)	(65,670)	(8,392)	(4,384)
		(117,772)	(97,816)	(23,607)	(19,385)
Profit from operations	20	49,080	42,890	27,965	28,286
Interest income		252	768	212	308
Finance costs	21	(2,390)	(1,771)	(499)	(591)
		46,942	41,887	27,678	28,003
Share of results of jointly controlled entity		50	60	-	-
Profit from ordinary activities before taxation		46,992	41,947	27,678	28,003
Taxation	22	(11,152)	(10,631)	(4,629)	(5,477)
Profit from ordinary activities after taxation		35,840	31,316	23,049	22,526
Minority interests		(802)	(513)	-	-
Net profit for the year		35,038	30,803	23,049	22,526
Earnings per share					
Basic	23	7.0 cents	6.1 cents		
Fully diluted	23	6.9 cents	6.1 cents		

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Equity

year ended 31 December 2004

Group	Share Capital \$'000	Share Premium \$'000	Merger Reserve \$'000	Accumulated Profits \$'000	Foreign Currency Translation Reserve \$'000	Total Capital and Reserves \$'000
2003						
At 1 January 2003	25,052	9,820	2,245	61,963	1,598	100,678
Net profit for the year	-	-	-	30,803	-	30,803
Issue of shares	64	651	-	-	-	715
Dividends paid (note 24)	-	-	-	(19,581)	-	(19,581)
Exchange differences on translation of net assets of foreign subsidiaries	-	-	-	-	4,418	4,418
At 31 December 2003	25,116	10,471	2,245	73,185	6,016	117,033
2004						
At 1 January 2004	25,116	10,471	2,245	73,185	6,016	117,033
Net profit for the year	-	-	-	35,038	-	35,038
Issue of shares	170	1,896	-	-	-	2,066
Dividends paid (note 24)	-	-	-	(20,148)	-	(20,148)
Dividends payable (note 24)	-	-	-	(8,092)	-	(8,092)
Exchange differences on translation of net assets of foreign subsidiaries	-	-	-	-	3,543	3,543
At 31 December 2004	25,286	12,367	2,245	79,983	9,559	129,440

Company	Share Capital \$'000	Share Premium \$'000	Accumulated Profits \$'000	Total Capital and Reserves \$'000
2003				
At 1 January 2003	25,052	608	58,390	84,050
Net profit for the year	-	-	22,526	22,526
Issue of shares	64	651	-	715
Dividends paid (note 24)	-	-	(19,581)	(19,581)
At 31 December 2003	25,116	1,259	61,335	87,710
2004				
At 1 January 2004	25,116	1,259	61,335	87,710
Net profit for the year	-	-	23,049	23,049
Issue of shares	170	1,896	-	2,066
Dividends paid (note 24)	-	-	(20,148)	(20,148)
Dividends payable (note 24)	-	-	(8,092)	(8,092)
At 31 December 2004	25,286	3,155	56,144	84,585

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

year ended 31 December 2004

	Group	
	2004 \$'000	2003 \$'000
Operating activities		
Profit from ordinary activities before taxation	46,992	41,947
Adjustments for:		
Amortisation of goodwill and other intangibles	2,479	2,643
Depreciation of property, plant and equipment	18,220	15,531
Gain on disposal of property, plant and equipment	(1,872)	(31)
Interest expenses	2,390	1,771
Interest income	(252)	(768)
Provision for cost of performance share plan	1,000	500
Share of profits of jointly controlled entity	(50)	(60)
	<hr/>	<hr/>
Operating profit before working capital changes	68,907	61,533
Changes in working capital:		
Inventories	4,030	(5,510)
Trade and other receivables	(12,229)	148
Trade and other payables	7,473	(5,013)
	<hr/>	<hr/>
Cash generated from operations	68,181	51,158
Income taxes paid	(11,101)	(10,940)
	<hr/>	<hr/>
Cash flows from operating activities	57,080	40,218
Investing activities		
Acquisition of property, plant and equipment	(48,926)	(14,115)
Acquisition of subsidiary, net of cash acquired	(8,379)	-
Additional investment in subsidiary	-	(236)
Interest received	252	768
Proceeds from disposal of property, plant and equipment	4,496	112
Payment to performance share trust fund	(213)	(1,098)
	<hr/>	<hr/>
Cash flows from investing activities	(52,770)	(14,569)
Financing activities		
Issue of new shares	2,066	715
Repayment of finance lease obligations	(1,587)	(597)
Proceeds from/(repayment of) bank loans	23,871	(26,591)
Interest paid	(2,390)	(1,771)
Dividends paid	(20,148)	(19,581)
Dividends paid to minority shareholder of a subsidiary	(602)	(2,073)
	<hr/>	<hr/>
Cash flows from financing activities	1,210	(49,898)
	<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents	5,520	(24,249)
Cash and cash equivalents at beginning of year	10,186	34,165
Effect of exchange rate changes on balances held in foreign currency	(41)	270
	<hr/>	<hr/>
Cash and cash equivalents at end of year	15,665	10,186

Statement of Cash Flows

year ended 31 December 2004

Notes to Statement of Cash Flows:

During the year, the Group acquired property, plant and equipment with an aggregate cost of \$49,231,000 (2003: \$15,161,000) of which \$ 305,000 (2003: \$1,046,000) was acquired under finance leases.

The acquisition of a subsidiary was shown in the statement as a single item. The individual assets and liabilities at the date of acquisition is set out below:-

	2004 \$'000
Property, plant and equipment	11,275
Inventories	4,646
Trade and other receivables	3,511
Cash	69
Trade and other payables	(6,666)
Overdraft	(731)
Net assets acquired	12,104
Goodwill on acquisition	(1,910)
Purchase consideration (including costs)	10,194
Less: Accrual for investment	(2,477)
Cash paid	7,717
Cash and overdraft of subsidiary acquired	662
Net cash flow on acquisition	<u>8,379</u>

Notes to the Financial Statements

year ended 31 December 2004

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the directors on 26 January 2005.

1 Domicile and Activities

Singapore Food Industries Limited (the "Company") is incorporated in the Republic of Singapore with its registered office at 234 Pandan Loop, Singapore 128422.

The principal activities of the Company are those relating to food distribution, food preparation, manufacturing and processing. The principal activities of the subsidiaries are set out in note 5 to the financial statements.

The consolidated financial statements for the year ended 31 December 2004 relate to the Company and its subsidiaries (referred to as the "Group") and the Group's interest in a jointly controlled entity.

The immediate and ultimate holding companies during the year were Ambrosia Investment Pte Ltd and Temasek Holdings (Private) Limited respectively. Both the companies are incorporated in Singapore.

2 Summary of Significant Accounting Policies

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards including related Interpretations promulgated by the Council on Corporate Disclosure and Governance.

The financial statements, which are expressed in Singapore dollars, are prepared on the historical cost basis.

2.2 Measurement Currency

The measurement currency of the Company is the Singapore dollar. As the underlying assets of the Company and its sales and purchases are denominated primarily in Singapore dollar and receipts from operations are usually retained in Singapore dollar, the Directors are of the opinion that the Singapore dollar reflects the economic substance of the underlying events and circumstances relevant to the Company.

2.3 Consolidation

2.3.1 Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities.

Investments in subsidiaries are stated in the Company's balance sheet at cost less impairment losses.

Business combinations which meet the criteria for merger accounting under Section 69B of the Companies Act, Chapter 50 and Singapore Financial Reporting Standard No. 22 "Business Combinations", are accounted for under the pooling of interests method. Under this method of accounting, the combined assets, liabilities and reserves are recorded at their existing carrying amounts (after having made adjustments as is necessary to ensure that a uniform set of accounting policies is adopted) following the business combination. The difference between the nominal value of the share capital issued and the nominal value of shares received is taken to the merger deficit/reserve. The consolidated financial statements include the results of operations and the assets and liabilities of the pooled enterprises as if they had been part of the group for the whole of the current and preceding periods.

The acquisition of other subsidiaries is accounted for under the purchase method and included in the consolidated financial statements from the date that control commences until the date that control ceases. Goodwill, which represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired, is accounted for in accordance with note 2.5.1. Negative goodwill arising on acquisition represents the excess of the fair value of the identifiable net assets acquired over the cost of acquisition, is accounted for in accordance with note 2.5.2.

Notes to the Financial Statements

year ended 31 December 2004

2 Summary of Significant Accounting Policies (cont'd)

2.3.2 Jointly Controlled Entities

Jointly controlled entities are enterprises over whose activities the Group has joint control, established by contractual agreement.

Investment in jointly controlled entity is stated in the Company's balance sheet at cost less impairment losses.

The consolidated financial statements include the Group's share of the total recognised gains and losses of the jointly controlled entity on an equity accounted basis, from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds the carrying amount of the jointly controlled entity, the carrying amount is reduced to nil and recognition of further losses is discontinued unless the Group has incurred obligations in respect of the jointly controlled entity.

2.3.3 Transactions Eliminated on Consolidation

All significant intra-group transactions, balances and unrealised gains are eliminated on consolidation. Unrealised gains resulting from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.3.4 Disposals

On disposal of a subsidiary or jointly controlled entity, any attributable amount of purchased goodwill not previously amortised through the profit and loss account or which had previously been dealt with as movement in Group reserves is included in the calculation of the profit and loss on disposal.

2.4 Property, Plant and Equipment

2.4.1 Owned Assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is provided on a straight-line basis so as to write off items of property, plant and equipment over their estimated useful lives as follows: -

Freehold buildings	- 30 to 50 years
Leasehold land and buildings	- Over period of lease not exceeding 30 years
Coldroom buildings	- Over period of lease not exceeding 30 years
Plant and machinery, operating equipment	- 5 years
Other fixed assets	- 1 to 5 years

No depreciation is provided on freehold land and assets under construction.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.4.2 Leased Assets

Leases for which the Group assumes substantially all risks and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of such leases is capitalised at the lower of its fair value and the present value of minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit and loss account. Capitalised lease assets are depreciated over the shorter of the economic useful life of the asset and the lease term.

2.5 Intangible Assets

2.5.1 Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is stated at cost less accumulated amortisation and impairment losses. Goodwill is amortised and recognised in the profit and loss account using the straight-line method over its estimated useful life of 20 years.

Goodwill arising on acquisition of subsidiaries that occurred prior to 1 January 2001 was written off against reserves and has not been retrospectively capitalised and amortised.

In arriving at the gain or loss on disposal of an entity, the unamortised balance of goodwill relating to the entity disposed of, or for acquisitions prior to 1 January 2001, the goodwill previously written off against reserves, is included as part of cost of investment.

Notes to the Financial Statements

year ended 31 December 2004

2 Summary of Significant Accounting Policies (cont'd)

2.5.2 Negative Goodwill

Negative goodwill arising on acquisition represents the excess of the fair value of the identifiable net assets acquired over the cost of acquisition. Negative goodwill is presented as a deduction from assets in the same balance sheet classification as goodwill.

To the extent that negative goodwill relates to an expectation of future losses and expenses that is identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the profit and loss account when the future losses and expenses are recognised. Any remaining negative goodwill, not exceeding the fair values of the non-monetary assets acquired, is recognised in the profit and loss account over the weighted average useful life of those assets that are depreciable or amortisable. Negative goodwill in excess of the fair value of the non-monetary assets acquired is recognised immediately in the profit and loss account.

2.5.3 Transferable Licences

Fishing licences are stated at cost less accumulated amortisation and impairment losses. Amortisation is over the estimated useful life of 20 years.

2.6 Other Investments

Equity securities held for the long-term are stated at cost less allowance for diminution in value which, in the opinion of the directors, are other than temporary.

Profit or losses on disposal of equity securities are determined as the difference between the net disposal proceeds and the carrying amount of the equity security and are accounted for in the profit and loss account as they arise.

2.7 Inventories

Inventories, which comprise inventories of stores, food products and raw materials, are stated at the lower of cost, determined on a weighted average basis, and net realisable value. In arriving at net realisable value, due allowance is made for all obsolete and slow moving inventories.

2.8 Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management. Secured bank overdrafts are excluded as they are used by the Group for its financing activities.

2.9 Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

2.10 Liabilities and Interest-Bearing Liabilities

Trade and other payables and interest-bearing borrowings are recognised at cost.

2.11 Equity Compensation Benefits

2.11.1 Singapore Food Industries Stock Option Plan

No compensation cost or obligation is recognised in respect of share options issued under the Company's Stock Option Plan. When the options are exercised, equity is increased by the amount of the proceeds received.

2.11.2 Singapore Food Industries Performance Share Plan

An initial estimate is made for the cost of compensation under the Company's performance share plan based on the number of shares expected to be awarded at the end of the performance period, valued at market price at the date of the grant of the award. The cost is charged to the profit and loss account on a basis that fairly reflects the manner in which the benefits will accrue to the employee under the plan over the service period to which the performance criteria relate.

At each reporting date, the compensation cost is remeasured based on the latest estimate of the number of shares that will be awarded considering the performance criteria and the market price of the shares at the reporting date. Any increase or decrease in compensation cost over the previous estimate is recorded in that reporting period.

The final measure of compensation cost is based on the number of shares ultimately awarded and the average cost of holding at the time of award.

Notes to the Financial Statements

year ended 31 December 2004

2 Summary of Significant Accounting Policies (cont'd)

2.12 Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.13 Revenue Recognition

2.13.1 Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue excludes goods and services and other sales taxes and is after deduction of trade discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

2.13.2 Dividend Income

Dividend income is recognised in the profit and loss account when the right to receive payment is established.

2.13.3 Interest Income

Interest income is recognised on an accrual basis.

2.14 Operating Leases

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Contingent rentals are charged to the profit and loss account in the accounting period in which they are incurred.

2.15 Finance Costs

Interest expense and similar charges are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to prepare for its intended use or sale.

The interest component of finance lease payments is recognised in the profit and loss account using the effective interest rate method.

2.16 Dividends

Dividends on ordinary shares are recognised as a liability in the period in which the shareholder's right to receive dividend is established.

2.17 Foreign Currencies

2.17.1 Foreign Currency Transactions

Monetary assets and liabilities in foreign currencies are translated into Singapore dollars at rates of exchange approximate to those ruling at the balance sheet date. Transactions in foreign currencies are translated at rates ruling on transaction dates. Translation differences are included in the profit and loss account.

2.17.2 Foreign Entities

Assets and liabilities of foreign entities including goodwill and fair value adjustments arising on consolidation are translated to Singapore dollars at the rates of exchange ruling at the balance sheet date. The results of foreign entities are translated at the average exchange rates for the year. Exchange differences arising on translation are recognised directly in equity. On disposal, the accumulated translation differences are recognised in the consolidated profit and loss account as part of the gain or loss on disposal.

2.18 Derivative Financial Instruments

Derivative financial instruments such as forward exchange contracts are used to manage exposure to foreign exchange risk arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes.

Derivative financial instruments used for hedging purposes are accounted for on an equivalent basis to the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as that arising from the related assets, liabilities or positions.

A hedge of any future transaction is held off balance sheet.

Notes to the Financial Statements

year ended 31 December 2004

3 Property, Plant and Equipment

Group	At 1/1/04 \$'000	Additions \$'000	Acquisition of Subsidiary \$'000	Disposals/ Write-offs \$'000	Transfers \$'000	Translation Adjustments \$'000	At 31/12/04 \$'000
Cost							
Freehold land and buildings	11,403	3,735	9,253	(3,155)	-	571	21,807
Leasehold land and buildings	70,526	1,702	-	(283)	4,785	569	77,299
Coldroom buildings	15,503	-	-	-	-	-	15,503
Plant and machinery	93,490	42,272	17,812	(277)	(4,785)	4,018	152,530
Operating equipment	22,874	195	-	(328)	-	176	22,917
Office and computer equipment, furniture and fittings	13,300	973	-	(1,512)	-	239	13,000
Motor vehicles	8,428	354	-	(705)	-	109	8,186
	<u>235,524</u>	<u>49,231</u>	<u>27,065</u>	<u>(6,260)</u>	<u>-</u>	<u>5,682</u>	<u>311,242</u>
Accumulated Depreciation							
Freehold land and buildings	2,408	613	1,591	(727)	-	94	3,979
Leasehold land and buildings	20,870	3,007	-	(257)	-	95	23,715
Coldroom buildings	10,453	765	-	-	-	-	11,218
Plant and machinery	62,384	9,493	13,692	(186)	-	2,720	88,103
Operating equipment	18,738	1,600	-	(307)	-	62	20,093
Office and computer equipment, furniture and fittings	10,371	1,683	-	(1,505)	-	168	10,717
Motor vehicles	6,167	1,059	-	(654)	-	96	6,668
	<u>131,391</u>	<u>18,220</u>	<u>15,283</u>	<u>(3,636)</u>	<u>-</u>	<u>3,235</u>	<u>164,493</u>
Carrying Amount						2004	2003
						\$'000	\$'000
Freehold land and buildings						17,828	8,995
Leasehold land and buildings						53,584	49,656
Coldroom buildings						4,285	5,050
Plant and machinery						64,427	31,106
Operating equipment						2,824	4,136
Office and computer equipment, furniture and fittings						2,283	2,929
Motor vehicles						1,518	2,261
						<u>146,749</u>	<u>104,133</u>

At 31 December 2004, the carrying amount of the Group's plant, equipment and motor vehicles held under finance leases amounted to \$2,137,000 (2003: \$3,032,000).

Notes to the Financial Statements

year ended 31 December 2004

3 Property, Plant and Equipment (cont'd)

Company	At 1/1/04 \$'000	Additions \$'000	Disposals/ Write-offs \$'000	At 31/12/04 \$'000
Cost				
Buildings on leasehold land	1,175	-	-	1,175
Coldroom buildings	15,503	-	-	15,503
Plant and machinery	4,904	20	-	4,924
Operating equipment	13,185	104	(328)	12,961
Office and computer equipment, furniture and fittings	5,556	275	(1,240)	4,591
Motor vehicles	5,464	4	(161)	5,307
	45,787	403	(1,729)	44,461
Accumulated Depreciation				
Buildings on leasehold land	554	39	-	593
Coldroom buildings	10,453	765	-	11,218
Plant and machinery	4,828	30	-	4,858
Operating equipment	12,252	466	(307)	12,411
Office and computer equipment, furniture and fittings	4,903	543	(1,236)	4,210
Motor vehicles	3,812	641	(151)	4,302
	36,802	2,484	(1,694)	37,592
Carrying Amount				
			2004 \$'000	2003 \$'000
Buildings on leasehold land			582	621
Coldroom buildings			4,285	5,050
Plant and machinery			66	76
Operating equipment			550	933
Office and computer equipment, furniture and fittings			381	653
Motor vehicles			1,005	1,652
			6,869	8,985

4. Intangible Assets

Group	Goodwill \$'000	Fishing Licences \$'000	Total \$'000
Cost			
At 1 January 2004	51,474	5,363	56,837
Acquisition through business combinations	(1,910)	-	(1,910)
Translation adjustment	336	(29)	307
At 31 December 2004	49,900	5,334	55,234
Accumulated Amortisation			
At 1 January 2004	7,130	429	7,559
Amortisation charge for the year	2,226	253	2,479
Translation adjustment	260	-	260
At 31 December 2004	9,616	682	10,298
Carrying Amount			
At 31 December 2004	40,284	4,652	44,936
At 31 December 2003	44,344	4,934	49,278

Notes to the Financial Statements

year ended 31 December 2004

5 Subsidiaries

	Company	
	2004 \$'000	2003 \$'000
Unquoted ordinary shares, at cost	113,699	113,699
Impairment losses	(4,314)	(4,314)
	<u>109,385</u>	<u>109,385</u>

During the financial year, a subsidiary acquired a 100% interest in the equity of Cresset Limited for a purchase consideration of \$10.194 million. The net assets of Cresset at the date of acquisition was \$12.104 million.

Details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Activities	Place of Incorporation and Business	Effective Equity held by the Group		Cost of Investment	
			2004 %	2003 %	2004 \$'000	2003 \$'000
International Cuisine Limited @ and its subsidiaries	Production and marketing of chilled ready cooked food	United Kingdom	100	100	2,670	2,670
- Cresset Limited *	Manufacture of food products and chilled ready cooked food	Republic of Ireland	100	-	-	-
- Swissco Limited *	Manufacture of food products and chilled ready cooked food	Republic of Ireland	100	-	-	-
- Swissco Manufacturing Limited *	Purchase of goods and services	Republic of Ireland	100	-	-	-
LM Food Industries Pte Ltd #	Contract manufacturing of food products	Singapore	100	100	755	755
Myanmar ST Food Industries Ltd *	Dormant	Myanmar	100	100	135	135
Piesin Sdn Bhd *	Voluntary liquidation	Malaysia	100	100	3,248	3,248
Primary Industries Pte Ltd and its subsidiaries #	Provision of abattoir services	Singapore	78.5	78.5	13,569	13,569
- Farmers Abattoir Pte Ltd	Abattoir related activities	Singapore	78.5	78.5	-	-
- Hog Auction Market Pte Ltd	Auctioneers of pigs	Singapore	78.5	78.5	-	-
Primary Industries (Qld) Pty Ltd and its subsidiaries @	Provision of land logistics support	Australia	100	100	664	664
- Schulz Fisheries Pty Ltd	Commercial fishing	Australia	50	50	-	-
- Urangan Fisheries Pty Ltd	Processing of seafood	Australia	51	51	-	-
Balance carried forward					<u>21,041</u>	<u>21,041</u>

Notes to the Financial Statements

year ended 31 December 2004

5 Subsidiaries (cont'd)

Name of Subsidiary	Principal Activities	Place of Incorporation and Business	Effective Equity held by the Group		Cost of Investment	
			2004 %	2003 %	2004 \$'000	2003 \$'000
Balance brought forward					21,041	21,041
SFI Industries Pty Ltd @	Provision of management services	Australia	100	100	1,869	1,869
Shanghai ST Food Industries Co., Ltd @	Manufacture and sale of frozen foodstuff	People's Republic of China	96	96	5,814	5,814
Singapore Food Development Pte Ltd #	Investment holding	Singapore	100	100	1,307	1,307
ST Agritech International Pte Ltd #	Provision of technical and management services for agri-food business	Singapore	100	100	10,000	10,000
S Daniels Plc and its subsidiaries @	Investment holding	United Kingdom	100	100	73,668	73,668
- All Square Foods Limited	Dormant	United Kingdom	100	100	-	-
- Bilash Foods Limited	Dormant	United Kingdom	100	100	-	-
- Brash Brothers Limited	Dormant	United Kingdom	100	100	-	-
- Copak Vendona Limited	Dormant	United Kingdom	100	100	-	-
- Daniels Chilled Foods Limited	Production and marketing of chilled soup, freshly squeezed juices, fresh salads and sandwich fillings	United Kingdom	100	100	-	-
- Daniels Foods Limited	Dormant	United Kingdom	100	100	-	-
- Daniels Group Limited	Dormant	United Kingdom	100	100	-	-
- Get Fresh Limited	Dormant	United Kingdom	100	100	-	-
- Johnsons Fresh Products Limited	Dormant	United Kingdom	100	100	-	-
- Johnsons Freshly Squeezed Juice Limited	Dormant	United Kingdom	100	100	-	-
- Juice Limited	Dormant	United Kingdom	100	100	-	-
- New Covent Garden Food Company Limited	Dormant	United Kingdom	100	100	-	-
- S Daniel Dried Fruit Limited	Dormant	United Kingdom	100	100	-	-
- Sun-Ripe Limited	Dormant	United Kingdom	100	100	-	-
Balance carried forward					113,699	113,699

Notes to the Financial Statements

year ended 31 December 2004

5 Subsidiaries (cont'd)

Name of Subsidiary	Principal Activities	Place of Incorporation and Business	Effective Equity held by the Group		Cost of Investment	
			2004 %	2003 %	2004 \$'000	2003 \$'000
Balance brought forward					113,699	113,699
- The New Covent Garden Soup Company Limited	Dormant	United Kingdom	100	100	-	-
					<u>113,699</u>	<u>113,699</u>

Audited by KPMG Singapore.

@ Audited by other member firms of KPMG International.

* Audited by other certified public accountants. Subsidiary not significant as defined under Clause 717 of the SGX-ST Listing Manual.

6 Jointly Controlled Entity

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Unquoted ordinary shares, at cost	50	50	50	50
Share of post-acquisition profits	134	80	-	-
	<u>184</u>	<u>130</u>	<u>50</u>	<u>50</u>

Details of the jointly controlled entity are as follows:

Name of Jointly Controlled Entity	-	SembCorp Network Pte Ltd #
Principal Activities	-	Provision of logistics support and services
Place of Incorporation and Business	-	Singapore
Effective Equity Held by the Group	-	50% (2003: 50%)

Audited by KPMG Singapore.

The Group's share of the results, assets and liabilities of the jointly controlled entity are as follows:

	2004 \$'000	2003 \$'000
Results		
Revenue	58	69
Expenses	(8)	(9)
Profit before taxation	<u>50</u>	<u>60</u>
Taxation	4	(7)
Profit after taxation	<u>54</u>	<u>53</u>
Assets and Liabilities		
Current Assets	188	147
Current Liabilities	(4)	(17)
Net Assets	<u>184</u>	<u>130</u>

Notes to the Financial Statements

year ended 31 December 2004

7 Other Assets

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
At cost				
- Unquoted equity investments	232	234	-	-
- Unquoted transferable club membership	458	458	458	458
	690	692	458	458
Impairment losses	215	215	215	215
	475	477	243	243

8 Deferred Tax

Movements in deferred tax assets and liabilities (prior to offsetting of balances) during the financial year were as follows:

Group	At 1/1/04	Credit/ (charge)	Translation	At
	\$'000	to Income \$'000	Adjustment \$'000	31/12/04 \$'000
Property, plant and equipment	(1,508)	(940)	(52)	(2,500)
Inventories	246	-	-	246
Trade and other receivables	776	(457)	-	319
Provisions	743	(236)	20	527
Equity compensation benefits	598	257	7	862
Other assets	5	-	-	5
	860	(1,376)	(25)	(541)
Comprising:				
Deferred tax assets	1,854	(296)	(13)	1,545
Deferred tax liabilities	(994)	(1,080)	(12)	(2,086)
	860	(1,376)	(25)	(541)
Company				
Property, plant and equipment	(721)	323	-	(398)
Inventories	246	-	-	246
Trade and other receivables	714	(400)	-	314
Provisions	225	(30)	-	195
Equity compensation benefits	242	280	-	522
Other assets	5	-	-	5
Deferred tax assets	711	173	-	884

Notes to the Financial Statements

year ended 31 December 2004

9 Inventories

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
At cost -				
Stores	1,096	2,150	-	-
Raw materials	13,430	10,172	-	-
Finished goods	22,989	23,417	15,511	18,879
	<u>37,515</u>	<u>35,739</u>	<u>15,511</u>	<u>18,879</u>
Less:				
Allowance for obsolescence -				
At 1 January	1,844	1,924	1,268	1,188
Acquisition of subsidiary	172	-	-	-
Allowance made during the year	672	157	-	80
Inventories written off	(387)	(281)	(12)	-
Translation adjustment	39	44	-	-
	<u>2,340</u>	<u>1,844</u>	<u>1,256</u>	<u>1,268</u>
	<u>35,175</u>	<u>33,895</u>	<u>14,255</u>	<u>17,611</u>
Comprising:				
Stores, at cost	1,096	2,150	-	-
Raw materials and finished goods at net realisable value	34,079	31,745	14,255	17,611
	<u>35,175</u>	<u>33,895</u>	<u>14,255</u>	<u>17,611</u>

10 Trade and Other Receivables

	Note	Group		Company	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Trade receivables	11	82,005	67,491	33,565	28,307
Deposits, prepayment and other receivables	12	14,263	10,337	1,755	1,390
Amounts due from					
- subsidiaries	13	-	-	2,274	6,038
- related companies (trade)		2	4	2	4
		<u>96,270</u>	<u>77,832</u>	<u>37,596</u>	<u>35,739</u>

Notes to the Financial Statements

year ended 31 December 2004

11 Trade Receivables

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Trade receivables	92,009	77,865	35,961	31,599
Less:				
Allowance for -				
- doubtful receivables	6,071	7,042	2,396	3,292
- trade discounts	3,933	3,332	-	-
	10,004	10,374	2,396	3,292
	82,005	67,491	33,565	28,307
Allowance for doubtful receivables -				
At 1 January	7,042	6,679	3,292	3,337
Acquisition of subsidiary	4	-	-	-
Allowance made during the year	-	638	-	233
Write back during the year	(407)	-	(253)	-
Bad debts written off	(742)	(567)	(643)	(278)
Translation adjustment	174	292	-	-
At 31 December	6,071	7,042	2,396	3,292
Allowance for trade discounts -				
At 1 January	3,332	2,653	-	-
Allowance made during the year	6,614	4,930	-	-
Trade discounts utilised	(6,211)	(4,494)	-	-
Translation adjustment	198	243	-	-
At 31 December	3,933	3,332	-	-

12 Deposits, Prepayments and Other Receivables

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Deposits	105	105	86	86
Prepayments	6,817	6,344	1,567	940
Staff loans	12	6	8	4
Other receivables	7,329	3,882	94	360
	14,263	10,337	1,755	1,390

13 Amounts Due from/to Subsidiaries

	Company	
	2004 \$'000	2003 \$'000
Amounts due from subsidiaries		
- trade receivables	39	1,403
- loans receivable	2,235	4,635
	2,274	6,038
Amounts due to subsidiaries		
- trade payable	2,091	1,521
- loans payable	16,003	12,810
	18,094	14,331

The amounts due from/to the subsidiaries are unsecured, interest-free and are repayable on demand.

Notes to the Financial Statements

year ended 31 December 2004

14 Trade and Other Payables

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Trade payables and accruals	103,507	86,648	39,181	37,984
Dividend payable	8,092	-	8,092	-
Other payables	6,959	4,144	828	967
Amounts due to				
- subsidiaries (note 13)	-	-	18,094	14,331
- intermediate holding company (trade)	-	260	-	260
- related companies (trade)	521	1,044	47	294
- jointly controlled entity (non-trade)	338	257	338	257
	119,417	92,353	66,580	54,093

The EVA Staff Incentive Plan was introduced by the Company in 1996. In 2000, an EVA Trust Fund was set up with a trustee company of a bank to act as trustees of the Fund, being the aggregate amount due to executives of the Company pursuant to the Plan. The financial statements do not include such trust fund which amounted to \$5,162,000 (2003: \$6,451,000) as at 31 December 2004.

The amount due to the jointly controlled entity is unsecured, interest-free and are repayable on demand.

15 Interest-Bearing Bank Loans and Borrowings

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Secured bank loans	25,621	6,262	-	-
Unsecured bank loans	22,258	29,586	17,875	25,375
Finance lease liabilities	2,090	3,372	-	-
	49,969	39,220	17,875	25,375
Payable:				
Within 1 year				
- secured bank loans	14,676	4,907	-	-
- unsecured bank loans	6,258	11,711	1,875	7,500
- finance lease liabilities	831	1,558	-	-
	21,765	18,176	1,875	7,500
After 1 year but within 5 years				
- secured bank loans	10,945	1,355	-	-
- unsecured bank loans	16,000	17,875	16,000	17,875
- finance lease liabilities	1,259	1,814	-	-
	28,204	21,044	16,000	17,875
	49,969	39,220	17,875	25,375

(a) Secured Bank Loans and Overdrafts

The secured banking facilities of the Group, comprising term loans and overdrafts, are secured on the assets of certain subsidiaries with a total carrying value at 31 December 2004 of \$198,219,000 (2003: \$114,701,000).

Information on interest rates, currency and maturity of secured and unsecured bank loans and overdrafts are set out in note 27.

Notes to the Financial Statements

year ended 31 December 2004

15 Interest-Bearing Bank Loans and Borrowings (cont'd)

(b) Finance Lease Liabilities

	Payments \$'000	2004 Interest \$'000	Principal \$'000	Payments \$'000	2003 Interest \$'000	Principal \$'000
Repayable within 1 year	973	142	831	1,779	221	1,558
Repayable after 1 year but within 5 years	1,434	175	1,259	2,069	255	1,814
	2,407	317	2,090	3,848	476	3,372

Information on interest rates of the finance lease liabilities are set out in note 27.

16 Equity Compensation Benefits

Share Option Plan

The Singapore Food Industries Share Option Plan (the "Option Plan") was approved and adopted at the Extraordinary General Meeting of the Company held on 28 October 1999. The Option Plan is administered by the Executive Resource and Compensation Committee ("ERCC") which comprises the following members:-

George Huang Chang Yi
Philip Tan Yuen Fah
Chow Kok Kee
Kuan Kwee Jee (Resigned with effect from 31 December 2004)

Other information regarding the Option Plan is set out below:

- The exercise price of the options can be set at a discount to the market price not exceeding 20% of the market price in respect of options granted at the time of grant.
- The 1999 options vested on the 2nd anniversary of the grant date. From 2000 onwards, options granted will vest 25% each on the 1st to the 4th anniversary of the grant date.
- The options granted expire after 5 years from the date of the grant for non-executive directors and 10 years for group and parent group executives.
- To-date, no options have been granted at a discount to market price.

Performance Share Plan

The Singapore Food Industries Performance Share Plan (the "Performance Plan") was approved and adopted at the Company's Extraordinary General Meeting held on 30 March 2001. The Performance Plan is administered by the ERCC.

Other information regarding the Performance Plan is set out below:-

- The awards of performance shares are given conditional on performance targets set based on medium-term corporate objectives.
- The final number of shares given will depend on the level of achievement of the targets over a three-year performance period and will only be released at the end of each performance period.

	Group and Company	
	2004 \$'000	2003 \$'000
Compensation cost for performance share plan -		
At 1 January	2	600
Provision made during the year	1,000	500
Payments to trust fund	(213)	(1,098)
At 31 December	789	2

Notes to the Financial Statements

year ended 31 December 2004

16 Equity Compensation Benefits (cont'd)

In 2001, a Performance Share Trust Fund was set up with a trustee company of a bank to act as trustee for the Fund, being the aggregate amount estimated to be earned by executives of the Company pursuant to the Plan. The financial statements do not include such trust fund, which amounted to \$1,822,000 (2003: \$2,362,000) as at 31 December 2004.

During the financial year, the Company awarded 1,164,400 ordinary shares of \$0.05 each fully paid from the Performance Share Trust fund for the 2001 Performance Share Award at the end of the prescribed performance period.

Restricted Stock Plan

The Singapore Food Industries Restricted Stock Plan (the "Restricted Plan") was approved and adopted at the Company's Extraordinary General Meeting held on 30 March 2001. The Restricted Plan is administered by the ERCC.

Other information regarding the Restricted Plan is set out below:-

- Restricted share awards vest upon the satisfactory completion of time-based service conditions.
- Performance related restricted share awards vest upon satisfactory completion of a period of service beyond a performance-target completion date.
- To-date, no share awards have been granted under this plan.

At 31 December 2004, details of the options granted under the Option Plan and conditional awards given under the Performance Plan for unissued ordinary shares of \$0.05 each of the Company were as follows:-

Date of grant of options / conditional awards	Exercise price	Outstanding 1 Jan 2004	Granted	Exercised/ Awarded	Cancelled/ Lapsed	Outstanding 31 Dec 2004	Exercisable 1 Jan 2004	Exercisable 31 Dec 2004	Proceeds on Exercise Credited to		Exercise period
									Share Capital \$'000	Share Premium \$'000	
Share Options:											
1999	\$0.78	215,000	-	(20,000)	(195,000)	-	215,000	-	1	15	30/10/2001-29/10/2004
1999	\$0.78	2,618,000	-	(207,000)	(39,000)	2,372,000	2,618,000	2,372,000	10	151	30/10/2001-29/10/2009
2000	\$0.55	480,000	-	(320,000)	-	160,000	480,000	160,000	16	160	24/08/2001-23/08/2005
2000	\$0.55	3,072,500	-	(1,931,800)	(101,750)	1,038,950	3,072,500	1,038,950	97	966	24/08/2001-23/08/2010
2001	\$0.69	420,000	-	(22,500)	-	397,500	420,000	397,500	1	14	28/07/2002-27/07/2006
2001	\$0.69	4,588,500	-	(723,000)	(216,000)	3,649,500	4,588,500	3,649,500	36	463	28/07/2002-27/07/2011
2002	\$0.78	400,000	-	(15,000)	-	385,000	400,000	385,000	1	11	09/08/2003-08/08/2007
2002	\$0.78	4,633,000	-	(91,000)	(257,750)	4,284,250	4,633,000	4,284,250	5	66	09/08/2003-08/08/2012
2003	\$0.76	390,000	-	(7,500)	-	382,500	-	382,500	-	5	05/08/2004-04/08/2008
2003	\$0.76	4,701,000	-	(63,500)	(196,000)	4,441,500	-	4,441,500	3	45	05/08/2004-04/08/2013
2004	\$0.80	-	370,000	-	-	370,000	-	-	-	-	10/06/2005-09/06/2009
2004	\$0.80	-	5,749,500	-	(958,000)	4,791,500	-	-	-	-	10/06/2005-09/06/2014
		21,518,000	6,119,500	(3,401,300) [@]	(1,963,500)	22,272,700	16,427,000	17,111,200	170	1,896	

Performance Shares:

2001	-	up to 1,640,000	-	(1,164,400)	(475,600)	-					
2002	-	up to 1,910,000	-	-	-	up to 1,910,000					
2003	-	up to 2,690,000	-	-	-	up to 2,690,000					
2004	-	-	up to 2,640,000	-	-	up to 2,640,000					
		up to 6,240,000	up to 2,640,000	(1,164,400)	(475,600)	up to 7,240,000					

[@] The daily closing price of the shares during the financial year ranged from \$0.710 to \$0.955 per share.

Notes to the Financial Statements

year ended 31 December 2004

17 Share Capital

	2004		2003	
	No. of Shares ('000)	\$'000	No. of Shares ('000)	\$'000
Authorised:				
Ordinary shares of \$0.05 each	1,500,000	75,000	1,500,000	75,000
Issued and fully paid:				
At 1 January	502,323	25,116	501,039	25,052
Share issued under share option plan	3,401	170	1,284	64
At 31 December	505,724	25,286	502,323	25,116

During the financial year, the Company issued a total of 3,401,300 ordinary shares of \$0.05 each fully paid for cash upon the exercise of options granted under the Company's share option plan.

At the end of the financial year, unissued ordinary shares of \$0.05 each of the Company granted/conditionally awarded to eligible employees and directors of the Company and the Group under equity compensation plans were as follows:-

	No. of unissued shares	
	2004	2003
Singapore Food Industries		
- Share Option Plan	22,272,700	21,518,000
- Performance Share Plan	up to 7,240,000	up to 6,240,000
- Restricted Stock Plan	-	-
	Up to 29,512,700	Up to 27,758,000

18 Reserves

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Share premium	12,367	10,471	3,155	1,259
Merger reserve	2,245	2,245	-	-
Accumulated profits	79,983	73,185	56,144	61,335
Foreign currency translation reserve	9,559	6,016	-	-
	104,154	91,917	59,299	62,594

In accordance with FRS 1, movements in reserves for the Group and the Company are set out in the Statements of Changes in Equity.

Share Premium -

The application of the share premium account is governed by Sections 69 to 69F of the Companies Act, Chapter 50.

Merger Reserve -

Merger reserve represents the difference between the nominal value of shares issued by the Company in exchange for the nominal value of shares acquired in respect of business combinations accounted for under the pooling of interest method.

Foreign Currency Translation Reserve -

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the Group.

Notes to the Financial Statements

year ended 31 December 2004

19 Revenue

Revenue of the Group and of the Company represents the sales value of goods supplied to customers (net of allowance for goods returned and trade discounts) and provision of services after eliminating intra-group transactions.

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Sale of food products	474,126	420,078	136,541	131,247
Provision of services	122,365	114,292	91,169	88,700
	<u>596,491</u>	<u>534,370</u>	<u>227,710</u>	<u>219,947</u>

20 Profit from Operations

The following items have been included in arriving at profit from operations:-

	Note	Group		Company	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
(a) Other income, net					
Exchange gains, net		458	917	518	515
Gain on disposal of property, plant and equipment		1,872	31	18	2
Grants received		705	57	-	-
Bad debts recovered (trade)		164	211	180	211
Investment income		470	398	6,601	5,425
Others		1,533	781	1,309	1,041
		<u>5,202</u>	<u>2,395</u>	<u>8,626</u>	<u>7,194</u>
(b) Staff costs					
Wages and salaries		93,379	79,370	27,676	26,706
Central provident fund contribution		3,353	3,708	3,078	3,349
Compensation cost for performance share plan	16	1,000	500	1,000	500
Other staff related costs		11,975	8,995	718	786
		<u>109,707</u>	<u>92,573</u>	<u>32,472</u>	<u>31,341</u>
Number of employees at 31 December		<u>2,432</u>	<u>2,216</u>	<u>969</u>	<u>987</u>

Notes to the Financial Statements

year ended 31 December 2004

20 Profit from Operations (cont'd)

	Note	Group		Company	
		2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
(c) Expenses					
Allowances for					
- doubtful receivables and trade discounts	11	6,207	5,568	(253)	233
- inventory obsolescence	9	672	157	-	80
Amortisation of intangible assets	4	2,479	2,643	-	-
Auditors' remuneration					
- auditors of the Company		132	132	107	107
- other auditors		313	219	33	38
Non-audit fees					
- other auditors		113	258	1	-
Bad debts written off (trade)		92	31	11	14
Depreciation of property, plant and equipment	3	18,220	15,531	2,484	2,763
Operating lease expenses		3,876	4,413	298	298
(d) Directors' remuneration					
Directors' remuneration is recognised as follows:					
Staff costs					
- directors of the Company		1,237*	880	1,237*	880
- other directors		3,043	2,838	-	-
Directors' fees					
- directors of the Company		416	396	414	394
- other directors		46	100	-	-
		4,742	4,214	1,651	1,274

* Includes cost of performance shares awarded.

21 Finance Costs

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Interest expense				
- bank loans and overdrafts	2,141	1,481	499	591
- finance leases	249	290	-	-
	2,390	1,771	499	591

Notes to the Financial Statements

year ended 31 December 2004

22 Taxation

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Current tax expense –				
Current year	10,654	11,285	4,802	5,977
Under/(over) provided in prior years	(874)	321	-	-
	9,780	11,606	4,802	5,977
Deferred tax expense -				
Movements in temporary differences	1,023	(583)	(173)	(500)
Under/(over) provided in prior years	353	(399)	-	-
	1,376	(982)	(173)	(500)
	11,156	10,624	4,629	5,477
Share of taxation -				
Jointly controlled entity	(4)	7	-	-
	11,152	10,631	4,629	5,477

Reconciliation of Effective Tax Rate

Profit before tax	46,992	41,947	27,678	28,002
Income tax at 20% (2003: 22%)	9,398	9,228	5,536	6,160
Effect of different tax rates in foreign jurisdictions	1,999	229	-	101
Non-deductible expenses	2,543	2,049	130	57
Non-taxable income	(1,741)	-	(1,226)	-
Tax rebate/exemption	(50)	(72)	(10)	(12)
Utilisation of unabsorbed capital allowances	(1,070)	-	-	-
Under/(over) provided in prior years				
- current tax	(874)	321	-	-
- deferred tax	353	(399)	-	-
Others	594	(725)	199	(829)
	11,152	10,631	4,629	5,477

23 Earnings Per Share

	Group	
	2004	2003
Basic earnings per share		
The basic earnings per share is based on:		
Net profit for the year (\$'000)	35,038	30,803
Weighted average number of shares at beginning of the year ('000)	501,985	501,039
Weighted average number of shares issued under share option plan during the year ('000)	1,988	946
Weighted average number of shares issued during the year ('000)	503,973	501,985
Fully diluted earnings per share		
The fully diluted earnings per share is based on:-		
Net profit for the year (\$'000)	35,038	30,803
Weighted average number of shares in issue used in the calculation of basic earnings per share ('000)	503,973	501,985
Potential dilutive ordinary shares under share options ('000)	2,475	1,314
Weighted average number of shares in issue during the year ('000)	506,448	503,299

Notes to the Financial Statements

year ended 31 December 2004

24 Dividends

	Group and Company	
	2004 \$'000	2003 \$'000
During the financial year, the following dividends were paid/payable:-		
Final dividend paid of 3.0 cents per share less tax of 20% (2003: 3.0 cents per share less tax of 22%)	12,089	11,749
Special dividend paid of 2.0 cents per share less tax of 20% (2003: 2.0 cents per share less tax of 22%)	8,059	7,832
	<u>20,148</u>	<u>19,581</u>
Interim dividend payable of 2.0 cents per share less tax of 20% (2003: Nil)	<u>8,092</u>	-

After the balance sheet date, the Directors proposed the following dividends. These dividends have not been provided for:

	Group and Company	
	2004 \$'000	2003 \$'000
Final dividend of 4.0 cents per share less tax of 20% (2003: 3.0 cents per share less tax of 22%)	16,184	11,754
Special dividend of Nil cents per share less tax of 20% (2003: 2.0 cents per share less tax of 22%)	-	7,836
	<u>16,184</u>	<u>19,590</u>

25 Commitments

At the balance sheet date, outstanding commitments of the Group and the Company, which were not provided for in the financial statements, were as follows:-

	Group		Company	
	2004 \$'000	2003 \$'000	2004 \$'000	2003 \$'000
Capital expenditure				
- approved and contracted for	4,131	284	-	-
- approved but not contracted for	2,552	208	-	-
	<u>6,683</u>	<u>492</u>	-	-
Foreign exchange contracts	1,633	1,703	1,633	1,703
Lease commitments				
- within 1 year	1,733	1,717	299	298
- after 1 year but within 5 years	3,840	4,020	1,196	1,193
- after 5 years	10,677	11,015	850	1,138
	<u>16,250</u>	<u>16,752</u>	<u>2,345</u>	<u>2,629</u>
Total commitments	<u>24,566</u>	<u>18,947</u>	<u>3,978</u>	<u>4,332</u>

The Group leases several plots of land, buildings, motor vehicles and plant and machinery under operating leases. Certain land leases give the Group the option for renewal after the expiry dates at rates to be agreed upon renewal.

Notes to the Financial Statements

year ended 31 December 2004

26 Significant Related Party Transactions

Identity of Related Parties

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making the financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Transaction with Directors

Total directors' remuneration is disclosed in note 20 (d).

The directors participate in the Company's equity compensation plans, the terms and conditions of which are stated in note 16. Details of options / conditional awards granted, exercised and outstanding are set out below:-

	Options/ Conditional Awards Outstanding 1/1/2004	Options/ Conditional Awards Granted	Awarded/ Aggregate Options Exercised	Options/ Conditional Awards Cancelled Or Lapsed	Options/ Conditional Awards Outstanding 31/12/2004
Share Options:					
- George Huang Chang Yi	310,000	120,000	70,000	20,000	340,000
- Peter Tay Buan Huat	3,450,000	750,000	650,000	-	3,550,000
- Philip Tan Yuen Fah	330,000	70,000	20,000	-	380,000
- Patrick Yeoh Khwai Hoh	140,000	30,000	95,000	-	75,000
- Roger Yeo Kok Tong	90,000	30,000	-	-	120,000
- Chow Kok Kee	140,000	60,000	-	-	200,000
- John Lim Kok Min	30,000	30,000	-	-	60,000
	4,490,000	1,090,000	835,000	20,000	4,725,000
Performance Shares:					
- Peter Tay Buan Huat	Up to 2,360,000	Up to 840,000	539,600	220,400	Up to 2,440,000

27 Financial Instruments

27.1 Financial Risk Management Objectives and Policies

Exposure to credit, interest rate and currency risk arises in the normal course of the Group's business. The Group has written risk management policies and guidelines which set out its overall business strategies, its tolerance of risk and its general risk management philosophy and has established processes to monitor and control hedging transactions in a timely and accurate manner.

Derivative financial instruments are used to reduce exposure to fluctuations in foreign exchange rates and interest rates. While these are subject to the risk of market rates changing subsequent to acquisition, such changes are generally offset by opposite effects on the items being hedged.

The Group's accounting policies in relation to derivative financial instruments are set out in Note 2.18.

27.2 Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Management has established credit policies in place and the exposure to credit risks is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

Investments and transactions involving derivative financial instruments are allowed only with counterparties that are of high credit quality. As such, management does not expect any counterparty to fail to meet their obligations.

At the balance sheet date, there were no significant concentrations of credit risks. The maximum exposure to credit risks is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheets.

Notes to the Financial Statements

year ended 31 December 2004

27 Financial Instruments (cont'd)

27.3 Interest Rate Risk

The Group's exposure to changes in interest rates relates primarily to the Group's debt obligations.

27.4 Effective Interest Rates and Repricing Analysis

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at balance sheet date and the periods in which they mature.

Group	Effective Interest Rate %	Total \$'000	Within 1 Year \$'000	1 to 5 Years \$'000	After 5 Years \$'000
Group 2004					
Financial assets					
Cash and bank balances	0.2 – 5.24	15,665	15,665	-	-
Financial liabilities					
Secured bank loans					
- GBP floating rate	5.50 – 6.25	(17,988)	(9,624)	(6,858)	(1,506)
- Euro floating rate	3.61 – 3.62	(3,049)	(468)	(1,877)	(704)
- A\$ floating rate	5.7	(4,584)	(4,584)	-	-
		(25,621)	(14,676)	(8,735)	(2,210)
Unsecured bank loans					
- US\$ floating rate	2.13 – 3.27	(2,138)	(2,138)	-	-
- RMB floating rate	5.31 – 5.612	(2,245)	(2,245)	-	-
- S\$ floating rate	1.57 – 2.21	(9,000)	-	(9,000)	-
- S\$ fixed rate	3.34	(8,875)	(1,875)	(7,000)	-
		(22,258)	(6,258)	(16,000)	-
Financial lease liabilities					
Bank overdrafts	5.41 – 13.08	(2,090)	(831)	(1,259)	-
	5.0 – 6.0	(17,116)	(17,116)	-	-
		(67,085)	(38,881)	(25,994)	(2,210)
Group 2003					
Financial assets					
Cash and bank balances	0.18 – 4.97	10,186	10,186	-	-
Financial liabilities					
Secured bank loans					
- GBP floating rate	4.49 – 5.20	(1,556)	(390)	(1,166)	-
- A\$ floating rate	5.21 – 6.38	(4,706)	(4,517)	(189)	-
		(6,262)	(4,907)	(1,355)	-
Unsecured bank loans					
- GBP fixed rate	6.49	(193)	(193)	-	-
- US\$ floating rate	2.06 – 2.85	(2,389)	(2,389)	-	-
- RMB floating rate	5.31 – 6.00	(1,629)	(1,629)	-	-
- S\$ floating rate	1.58	(9,000)	-	(9,000)	-
- S\$ fixed rate	1.01 – 3.34	(16,375)	(7,500)	(8,875)	-
		(29,586)	(11,711)	(17,875)	-
Finance lease liabilities					
Bank overdrafts	5.41 – 13.08	(3,372)	(1,558)	(1,814)	-
	5.25 – 9.00	(4,909)	(4,909)	-	-
		(44,129)	(23,085)	(21,044)	-

Notes to the Financial Statements

year ended 31 December 2004

27 Financial Instruments (cont'd)

Company	Effective Interest Rate %	Total \$'000	Within 1 Year \$'000	1 to 5 Years \$'000	After 5 Years \$'000
Company 2004					
Financial assets					
Cash and bank balances	0.2 – 5.24	9,331	9,331	-	-
Financial liabilities					
Unsecured bank loans					
- S\$ floating rate	1.57 – 2.21	(9,000)	-	(9,000)	-
- S\$ fixed rate	3.34	(8,875)	(1,875)	(7,000)	-
		(17,875)	(1,875)	(16,000)	-
Company 2003					
Financial assets					
Cash and cash equivalents	0.18 – 4.97	4,044	4,044	-	-
Financial liabilities					
Unsecured bank loans					
- S\$ floating rate	1.58	(9,000)	-	(9,000)	-
- S\$ fixed rate	1.01 – 3.34	(16,375)	(7,500)	(8,875)	-
		(25,375)	(7,500)	(17,875)	-

27.5 Foreign Currency Risk

The Group incurs foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than Singapore Dollar. The currencies giving rise to this risk are primarily US Dollar, Australian Dollar and British Pound.

The Group hedges approximately 75 percent of all trade payables denominated in foreign currency. At any point in time, the Group also hedges approximately 75 percent of its estimated foreign currency exposure in respect of forecast purchases over the following three months. The Group also enters into forward exchange contracts to hedge its other foreign currency risk.

In respect of other monetary assets and liabilities held in currencies other than the Singapore Dollar, the Group reviews periodically that the net exposure is kept at an acceptable level.

Notes to the Financial Statements

year ended 31 December 2004

27 Financial Instruments (cont'd)

27.6 Sensitivity Analysis

In managing its interest rate and currency risks, the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer term, however, any prolonged adverse changes in foreign exchange and interest rates would have an impact on consolidated earnings.

At 31 December 2004, it is estimated that a general increase of one percentage point in interest rates would decrease the Group's profit before tax by approximately \$557,000 (2003: \$562,000).

It is estimated that a general increase of one percentage point in value of the Singapore dollar against other foreign currencies would increase the Group's profit before tax by approximately \$957,000 (2003: \$636,000). The forward exchange contracts have not been included in this calculation.

27.7 Fair Values

Recognised Financial Instruments

The fair values of the financial assets and liabilities approximate their carrying values.

It is not practicable to estimate the fair values of the Company's long-term unquoted equity investments because of the lack of quoted market prices and the inability to estimate fair value without incurring excessive costs. However, management believes that the carrying amounts recorded at the balance sheet date reflect the corresponding fair values.

Unrecognised Financial Instruments

The valuation of financial instruments not recognised in the balance sheet reflects amounts which the Group expects to pay or receive to terminate the contracts or replace the contracts at their current market rates as at the balance sheet date.

The notional amount and net fair value of financial instruments not recognised in the balance sheet as at 31 December are:

	Group and Company	
	2004 \$'000	2003 \$'000
Forward foreign currency purchases		
- notional amount	1,633	1,703
- fair value (net)	-	(3)
	<hr/>	<hr/>

Notes to the Financial Statements

year ended 31 December 2004

28 Contingent Liabilities

At 31 December 2004, there were the following outstanding contingent liabilities:

- (a) Guarantees amounting to \$5.099 million (2003: \$5.292 million) given by the Company to banks for banking facilities extended to a subsidiary.
- (b) Insurance excess guarantee given by a subsidiary to a maximum amount of \$957,000 (equivalent of GBP 300,000) given by a subsidiary as part of its ongoing insurance arrangements. This contingent liability will expire at end of 2006.
- (c) A subsidiary of the Company has entered into an agreement with the Industrial Development Authority under which capital and revenue grants of \$6.065 million (equivalent of EUR 2.771 million) have been received. A liability would arise to repay \$1.025 million (equivalent of EUR 468,000) if certain circumstances set out in the agreement occur.
- (d) Additional purchase consideration of approximately \$2.627 million (equivalent of EUR 1.2 million) for the acquisition of subsidiary, Cresset Limited, payable in 2008 if the profits of the subsidiary in the year ended 31 December 2007 exceed EUR 3.19 million.

29 Segment Reporting

Segment information is presented in respect of the Group's business and geographical segments. The primary format, by business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income-earning assets, income streams, interest-bearing loans, borrowings and expenses not directly attributable to a particular business segment.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

29.1 Business Segments

The Group comprises the following main business segments:

Food distribution – The distribution and trading of food products.

Food preparation, manufacturing and processing – The management of cookhouses, preparation of cooked meals and manufacturing of food products.

Abattoir and hog auction – The provision of abattoir and related services and auctioning of pigs.

Notes to the Financial Statements

year ended 31 December 2004

29 Segment Reporting (cont'd)

	Food Distribution \$'000	Food Preparation, Manufacturing and Processing \$'000	Abattoir and Hog Auction \$'000	Others \$'000	Elimination \$'000	Consolidation \$'000
2004						
Revenue and expenses						
Revenue						
- External customers	142,914	433,495	20,082	-	-	596,491
- Inter-segment	20,245	14,901	2,147	-	(37,293)	-
Total revenue	163,159	448,396	22,229	-	(37,293)	596,491
Segment results	10,439	32,426	6,215	6,131	(6,131)	49,080
Interest income	-	252	-	-	-	252
Interest expense	-	(2,390)	-	-	-	(2,390)
	10,439	30,288	6,215	6,131	(6,131)	46,942
Shares of jointly controlled entity results						50
Profit from ordinary activities before taxation						46,992
Taxation						(11,152)
Profit from ordinary activities after taxation						35,840
Minority interest						(802)
Profit after taxation and minority interest						35,038
Assets and liabilities						
Segment assets	37,576	223,165	31,700	47,013	-	339,454
Unallocated assets	-	661	-	884	-	1,545
	37,576	223,826	31,700	47,897	-	340,999
Segment liabilities	13,379	137,850	3,660	32,402	-	187,291
Unallocated liabilities	3,162	10,051	2,291	-	-	15,504
	16,541	147,901	5,951	32,402	-	202,795
Capital expenditure	153	48,803	191	84	-	49,231

Notes to the Financial Statements

year ended 31 December 2004

29 Segment Reporting (cont'd)

	Food Distribution \$'000	Food Preparation, Manufacturing and Processing \$'000	Abattoir and Hog Auction \$'000	Others \$'000	Elimination \$'000	Consolidation \$'000
2003						
Revenue and expenses						
Revenue						
- External customers	144,296	372,398	17,676	-	-	534,370
- Inter-segment	22,784	13,904	3,421	-	(40,109)	-
Total revenue	167,080	386,302	21,097	-	(40,109)	534,370
Segment results	10,727	28,283	3,880	5,027	(5,027)	42,890
Interest income	705	63	-	-	-	768
Interest expense	(591)	(1,180)	-	-	-	(1,771)
	10,841	27,166	3,880	5,027	(5,027)	41,887
Shares of jointly controlled entity results						60
Profit from ordinary activities before taxation						41,947
Taxation						(10,631)
Profit from ordinary activities after taxation						31,316
Minority interest						(513)
Profit after taxation and minority interest						30,803
Assets and liabilities						
Segment assets	37,912	158,961	32,833	46,225	-	275,931
Unallocated assets	-	1,144	-	710	-	1,854
	37,912	160,105	32,833	46,935	-	277,785
Segment liabilities	14,856	93,076	3,435	25,117	-	136,484
Unallocated liabilities	3,452	4,381	1,617	6,136	-	15,586
	18,308	97,457	5,052	31,253	-	152,070
Capital expenditure	118	14,079	908	56	-	15,161

Notes to the Financial Statements

year ended 31 December 2004

29 Segment Reporting (cont'd)

29.2 Geographical Segments

The Group operates in four principal geographical areas, namely Singapore, Europe (United Kingdom and the Republic of Ireland), Australia and the People's Republic of China ("PRC"). The food distribution business segment is principally conducted in Singapore, with food distribution in the PRC at a nascent stage. The abattoir and hog auction business segment is conducted only in Singapore. The food preparation, manufacturing and processing business segment is conducted in Singapore, United Kingdom, the Republic of Ireland, Australia and the PRC.

In presenting information on the basis of geographical segments, segment revenue is based on the country of operation, not the country to which sales is made to. Segment assets are based on the geographical location of the assets and operations.

	Singapore \$'000	Europe / United Kingdom \$'000	Australia \$'000	China and Other \$'000	Consolidation \$'000
2004					
Total revenue from external customers	246,880	307,209	31,535	10,867	596,491
Segment assets	139,962	175,498	15,528	8,466	339,454
Segment liabilities	71,971	101,544	8,378	5,398	187,291
Capital expenditure	615	48,205	339	72	49,231
Significant non-cash items					
- amortisation	-	2,226	253	-	2,479
- depreciation	5,047	11,683	937	553	18,220
	5,047	13,909	1,190	553	20,699
2003					
Total revenue from external customers	236,778	251,408	27,843	18,341	534,370
Segment assets	140,760	105,771	16,048	13,352	275,931
Segment liabilities	69,863	48,723	8,348	9,550	136,484
Capital expenditure	2,188	12,376	512	85	15,161
Significant non-cash items					
- amortisation	-	2,410	233	-	2,643
- depreciation	5,338	8,712	922	559	15,531
	5,338	11,122	1,155	559	18,174

Supplementary Information

year ended 31 December 2004

1. Directors' Remuneration

The following information relates to remuneration of Directors of Singapore Food Industries Limited:

Remunerations Bands	2004 Number of Directors	2003 Number of Directors
\$500,000 and above	1	1
\$250,000 to \$499,999	-	-
Below \$250,000	6	6
Total	7	7

Summary of Remuneration for year ended 31 December 2004:

Name of Director	Salary* \$	Bonus# \$	Performance Shares+ \$	Directors' Fees \$	Total \$
George Huang Chang Yi	-	-	-	128,000	128,000
Peter Tay Buan Huat	532,548	316,223	388,242	-	1,237,013
Philip Tan Yuen Fah	-	-	-	81,000	81,000
Patrick Yeoh Khwai Hoh	-	-	-	46,000	46,000
Roger Yeo Kok Tong	-	-	-	47,000	47,000
Chow Kok Kee	-	-	-	64,000	64,000
John Lim Kok Min	-	-	-	48,000	48,000
Total for Directors of the Company	532,548	316,223	388,242	414,000	1,651,013

* The salary amount shown is inclusive of allowances & CPF.

The bonus amount shown is inclusive of CPF.

+ Cost of performance shares awarded.

Supplementary Information

year ended 31 December 2004

2. Interested Person Transactions

Interested Person Transactions carried out during the financial year, pursuant to the Shareholders' Mandate and as defined under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual") are as follows:

	Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)	
	2004 \$'000	2003 \$'000
Transactions for the Purchase of Goods and Services		
Singapore Computer Systems Limited and its Associates	-	175
SembCorp Industries Limited and its Associates	413	546
	<hr/> 413	<hr/> 721
Management and Support Services		
Singapore Technologies Pte Ltd and its Associates	250	250
	<hr/> 250	<hr/> 250
Total Interested Person Transactions	<hr/> 663	<hr/> 971

During the financial year, there were no borrowings, foreign exchange, swap and options transactions entered into or with and no subscription of debt securities issued by any interested person (as defined in Chapter 9 of the Listing Manual).

3. Dealings In Securities

The company has procedures in place on dealing with SFI shares. Directors and key senior executives of the Group are prohibited from trading in SFI shares during the period commencing two weeks prior to the announcement of the Company's quarterly, half-year and full-year results. Directors and key senior executives are also expected to observe insider trading laws at all times.

Value Added Statement

year ended 31 December 2004

	Group	
	2004 \$'000	2003 \$'000
VALUE ADDED:		
Turnover	596,491	534,370
Less: Bought-in materials and services	(421,459)	(381,932)
	175,032	152,438
Investment, interest & other income	252	1,774
Share of Joint Venture Profit	50	60
Other non-operating income/(expenses)	5,037	1,179
	180,371	155,451
TOTAL VALUE ADDED		
 DISTRIBUTION		
To employees in salaries, wages & benefits	108,885	91,799
To government in income & other taxes	12,154	11,391
To providers of capital on:		
Interest paid on borrowings	2,390	1,771
Dividends to shareholders	28,240	19,581
 RETAINED IN BUSINESS		
Depreciation and Amortisation	20,699	18,174
Retained Profits	6,798	11,222
Minority Interests	802	513
 OTHER NON-OPERATING EXPENSES		
	403	1,000
	180,371	155,451
TOTAL DISTRIBUTION		
Average Number of Employees	2,324	2,288
 PRODUCTIVITY ANALYSIS		
Value Added Per Employee (\$'000)	75.3	66.6
Value Added Per Dollar of Employment Costs	1.6	1.7
Value Added Per Dollar Sales	0.3	0.3
Value Added Per Dollar Investment in Net Fixed Assets	1.2	1.5

Statistics of Shareholders

As at 3 March 2005

Authorised share capital	:	S\$75,000,000
Issued and fully paid-up capital	:	S\$25,348,750.00
Class of share	:	Ordinary shares of S\$0.05 each
Voting rights	:	One vote per share

ANALYSIS OF SHAREHOLDINGS

Range Of Shareholdings	No. of Shareholders	Percentage %	No. of Shares	Percentage %
1 - 999	318	2.90	144,537	0.03
1,000 - 10,000	9,904	90.41	22,885,975	4.51
10,001 - 1,000,000	718	6.56	34,652,648	6.84
1,000,001 and above	14	0.13	449,291,840	88.62
	10,954	100.00	506,975,000	100.00

Based on information available to the Company as at 3 March 2005, approximately 28.51% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholder	Direct Interest	Number of Shares		Percentage (%)
		Percentage (%)	Deemed Interest	
Ambrosia Investment Pte. Ltd.	359,731,154	70.96	-	-
Temasek Holdings (Private) Limited ⁽¹⁾	-	-	359,811,154	70.97

Note:

⁽¹⁾ Temasek Holdings (Private) Limited is deemed to be interested in the 359,731,154 shares held by Ambrosia Investment Pte. Ltd. and 80,000 shares held by its other subsidiaries.

Statistics of Shareholders

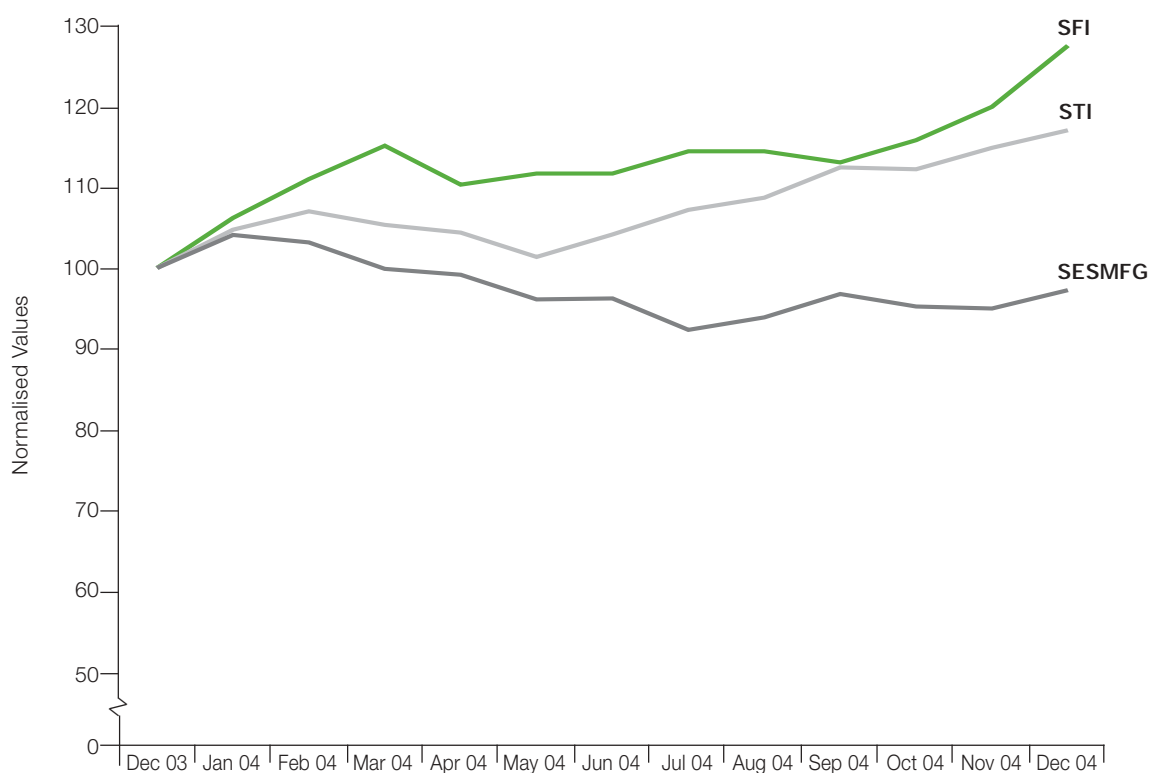
As at 3 March 2005

TOP TWENTY SHAREHOLDERS

		No. of Shares Held	Percentage %
1	Ambrosia Investment Pte Ltd	359,731,154	70.96
2	DBS Nominees Pte Ltd	22,256,096	4.39
3	NTUC Fairprice Co-operative Ltd	15,000,000	2.96
4	Citibank Nominees Singapore Pte Ltd	14,036,222	2.77
5	HSBC (Singapore) Nominees Pte Ltd	12,322,800	2.43
6	Raffles Nominees Pte Ltd	6,590,806	1.30
7	United Overseas Bank Nominees Pte Ltd	4,812,021	0.95
8	Oversea Chinese Bank Nominees Pte Ltd	4,389,205	0.87
9	The Asia Life Assurance Society Ltd - Par Fund	3,045,000	0.60
10	Peter Tay Buan Huat	2,249,600	0.44
11	DB Nominees (S) Pte Ltd	1,296,059	0.26
12	UOB Kay Hian Pte Ltd	1,284,000	0.25
13	OCBC Nominees Singapore Pte Ltd	1,195,877	0.24
14	Lee Hee Seng	1,083,000	0.21
15	The Asia Life Assurance Society Ltd - Non Par Fund	961,000	0.19
16	Tan Yong Chiang or Tan Hui Liang	869,000	0.17
17	Tan Lee Yong	863,000	0.17
18	ING Nominees (S'pore) Pte Ltd	724,000	0.14
19	Goh Soo Luan	605,000	0.12
20	Long Wind Coldstorage Pte Ltd	544,000	0.11
		453,857,840	89.52

Share Price Performance

Comparative Price Trends



Month-End	SFI		Straits Times Index (STI)		Singapore All Equities (Manufacturing) Index	
	Closing Prices (\$)	Normalised Values	Closing Index	Normalised Values	Closing Index	Normalised Values
December 03	0.725	100.00	1764.52	100.00	1056.81	100.00
January 04	0.770	106.21	1848.36	104.75	1100.19	104.10
February 04	0.805	111.03	1888.63	107.03	1090.34	103.17
March 04	0.835	115.17	1858.92	105.35	1055.67	99.89
April 04	0.800	110.34	1842.03	104.39	1047.93	99.16
May 04	0.810	111.72	1788.66	101.37	1015.58	96.10
June 04	0.810	111.72	1838.00	104.16	1016.83	96.22
July 04	0.830	114.48	1891.71	107.21	975.65	92.32
August 04	0.830	114.48	1918.34	108.72	992.05	93.87
September 04	0.820	113.10	1984.74	112.48	1022.72	96.77
October 04	0.840	115.86	1980.69	112.25	1006.27	95.22
November 04	0.870	120.00	2027.66	114.91	1003.68	94.97
December 04	0.925	127.59	2066.14	117.09	1027.73	97.25

SFI Share Price (\$)

	2004	2003
Highest	0.945 (23-Dec)	0.795
Lowest	0.710 (13-Jan)	0.660
Average	0.816	0.740
31 December Closing Price	0.925	0.725