

Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".



First Quarter Ended 31 March 2018

Financial Statement and Dividend Announcement

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

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

Income statement

	Group		
	S\$'000		%
	3 months ended 31 Mar		incr/
	2018	2017 (Restated)	(decr)
a Revenue	42,266	43,550	(2.9)
b Investment income	-	-	-
c Other income including interest income :-	281	382	(26.4)
(i) Gain on sale of plant & equipment included in other income	-	-	n.m
(ii) Interest income	69	38	81.6
(iii) Other income	212	344	(38.4)
d Changes in inventories of FG & WIP	(143)	(915)	(84.4)
(i) (Allowance for) write-back of inventories	(6)	4	(250.0)
e Raw materials and consumables used :-	(10,991)	(10,480)	4.9
(i) Write-back of (allowance for) inventories	10	13	(23.1)
f Staff costs	(11,142)	(10,784)	3.3
g Depreciation, amortisation and impairment expenses	(2,463)	(2,286)	7.7
h Interest on borrowings	(30)	(125)	(76.0)
i Other operating expenses :-	(14,791)	(14,823)	(0.2)
(i) Foreign exchange (loss) gain	(208)	(568)	(63.4)
(ii) Allowance for doubtful debts	-	-	n.m
(ii) Bad debts written off	-	-	n.m
j Exceptional items	-	-	-
k Operating profit before income tax, non-controlling interests and extraordinary items but after interest on borrowings, depreciation and amortisation, foreign exchange loss and exceptional items	2,987	4,519	(33.9)

Income statement (continued)

l	Loss from associated companies	-	-	-
m	(Loss) profit from joint venture	(2)	68	(102.9)
n	Operating profit before income tax	2,985	4,587	(34.9)
o	Less income tax :-	(637)	(1,102)	(42.2)
	(i) Adjustment for over provision of tax in respect of prior periods.	10	-	n.m
p	Profit for the period	2,348	3,485	(32.6)
	Attributable to :-			
q	Owners of the company	1,984	3,042	(34.8)
r	Non-controlling interests	364	443	(17.8)

Statement of Comprehensive Income

Profit for the period	2,348	3,485	(32.6)
Other comprehensive income :-			
Items that will not be reclassified subsequently to profit or loss :-			
(i) Remeasurement of defined benefit obligation	-	-	n.m
Items that may be reclassified subsequently to profit or loss :-			
(i) Foreign currency translation	732	(1,219)	(160.0)
Other comprehensive income for the period	732	(1,219)	(160.0)
Total comprehensive income for the period	3,080	2,266	35.9
The comprehensive income attributable to :-			
Owners of the Company	2,534	2,497	1.5
Non-controlling Interests	546	(231)	(336.4)

Group		
S\$'000		%
3 months ended 31 Mar		incr/
2018	2017 (Restated)	(decr)
-	-	-
(2)	68	(102.9)
2,985	4,587	(34.9)
(637)	(1,102)	(42.2)
10	-	n.m
2,348	3,485	(32.6)
1,984	3,042	(34.8)
364	443	(17.8)

Group		
S\$'000		%
3 months ended 31 Mar		incr/
2018	2017 (Restated)	(decr)
2,348	3,485	(32.6)
-	-	n.m
732	(1,219)	(160.0)
732	(1,219)	(160.0)
3,080	2,266	35.9
2,534	2,497	1.5
546	(231)	(336.4)

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

Statement of Financial Position	Group		Company	
	Actual 31-Mar-18 \$'000	Previous 31-Dec-17 \$'000	Actual 31-Mar-18 \$'000	Previous 31-Dec-17 \$'000
ASSETS				
Current assets:				
Cash and cash equivalents	28,056	27,710	929	760
Trade and other receivables	47,578	50,501	11,352	10,221
Inventories	13,811	13,859	-	-
Total current assets	89,445	92,070	12,281	10,981
Non-current assets:				
Other assets	2,144	1,209	-	-
Joint venture	4,594	4,465	4,216	4,216
Subsidiaries	-	-	19,797	19,797
Property, plant and equipment	76,488	77,002	35,995	36,817
Investment properties	4,313	4,286	2,353	2,375
Land use rights	6,647	6,710	6,222	6,288
Intangible assets	7	10	7	10
Goodwill	6,691	6,691	-	-
Deferred tax assets	301	306	-	-
Total non-current assets	101,185	100,679	68,590	69,503
Total assets	190,630	192,749	80,871	80,484
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	24,263	29,239	9,318	9,077
Bank loans	259	233	-	-
Finance leases	350	578	19	19
Income tax payable	2,706	2,673	668	688
Total current liabilities	27,578	32,723	10,005	9,784
Non-current liabilities:				
Bank loans	-	-	-	-
Finance leases	327	355	66	71
Deferred tax liabilities	2,685	2,693	1,040	1,040
Post employment benefits	445	463	-	-
Total non-current liabilities	3,457	3,511	1,106	1,111
Capital, reserves and non-controlling interests:				
Share capital	23,852	23,852	23,852	23,852
Statutory surplus reserve	2,927	2,927	-	-
Retained earnings	128,841	126,857	45,908	45,737
Currency translation reserve	(418)	(968)	-	-
Equity attributable to owners of the company	155,202	152,668	69,760	69,589
Non-controlling interests	4,393	3,847	-	-
Total equity	159,595	156,515	69,760	69,589
Total liabilities and equity	190,630	192,749	80,871	80,484

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

(a) the amount repayable in one year or less, or on demand

As at 31/3/18		As at 31/12/17	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
350	259	578	233

(b) the amount repayable after one year

As at 31/3/18		As at 31/12/17	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
327	-	355	-

Details of any collateral

The finance lease liabilities are secured by the assets under finance leases.

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

Statement of cash flows

	Group	
	3 months ended 31 Mar	
	2018	2017
	S\$'000	S\$'000
Cash flow from operating activities:		
Profit before tax	2,985	4,587
Adjustments for :		
(Write-back) Write-down of inventories	(4)	(17)
Depreciation and amortisation expense	2,463	2,286
(Gain) Loss on disposal of property, plant and equipment	-	4
Share of (loss) profit from joint venture	2	(68)
Post employment benefits	(9)	-
Interest income	(69)	(38)
Finance costs	30	125
Operating cash flows before movements in working capital	5,398	6,879
Trade and other receivables and other assets	1,988	(846)
Inventories	52	5,291
Trade and other payables	(4,976)	(10,390)
Cash generated from operations	2,462	934
Interest paid	(30)	(125)
Income tax paid	(607)	(1,204)
Net cash from operating activities	1,825	(395)
Cash flow from investing activities:		
Interest received	69	38
Proceeds from disposal of property, plant and equipment	-	4
Purchase of property, plant and equipment	(1,431)	(378)
Net cash used in investing activities	(1,362)	(336)
Cash flows from financing activities:		
Dividends paid to non-controlling interests	-	(497)
Repayment of bank loans	(274)	(1,277)
Proceeds from bank loans	293	-
Repayment of obligations under finance leases	(267)	(237)
Net cash used in financing activities	(248)	(2,011)
Net increase (decrease) in cash and cash equivalents	215	(2,742)
Cash and cash equivalents at beginning of period	27,710	42,362
Effect of foreign exchange rate changes	131	(592)
Cash and cash equivalents at end of period	28,056	39,028

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

Statement of changes in equity

GROUP

	Share capital	Statutory surplus reserve	Retained earnings	Currency translation reserve	Attributable to owners of the company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2017	23,852	2,701	120,526	106	147,185	2,913	150,098
Total Comprehensive Income for the period							
Profit for the period, net of tax	-	-	3,042	-	3,042	443	3,485
Other comprehensive loss for the period, net of tax	-	-	-	(545)	(545)	(674)	(1,219)
Total	-	-	3,042	(545)	2,497	(231)	2,266
Transactions with owners, recognised directly in equity							
Appropriation	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Others							
Dividends paid to non-controlling interests	-	-	-	-	-	(497)	(497)
Total	-	-	-	-	-	(497)	(497)
Balance at 31 Mar 2017	23,852	2,701	123,568	(439)	149,682	2,185	151,867

Balance at 1 Jan 2018	23,852	2,927	126,857	(968)	152,668	3,847	156,515
Total Comprehensive Income for the period							
Profit for the period, net of tax	-	-	1,984	-	1,984	364	2,348
Other comprehensive loss for the period, net of tax	-	-	-	550	550	182	732
Total	-	-	1,984	550	2,534	546	3,080
Transactions with owners, recognised directly in equity							
Appropriation	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Others							
Dividends paid to non-controlling interests	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Balance at 31 Mar 2018	23,852	2,927	128,841	(418)	155,202	4,393	159,595

COMPANY

	Share capital	Statutory surplus reserve	Retained earnings	Currency translation reserve	Attributable to owners of the company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 Jan 2017	23,852	-	45,662	-	69,514	-	69,514
Profit for the period, net of tax, representing total comprehensive income for the period	-	-	41	-	41	-	41
Balance at 31 Mar 2017	23,852	-	45,703	-	69,555	-	69,555
Balance at 1 Jan 2018	23,852	-	45,737	-	69,589	-	69,589
Profit for the period, net of tax, representing total comprehensive income for the period	-	-	171	-	171	-	171
Balance at 31 Mar 2018	23,852	-	45,908	-	69,760	-	69,760

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable.

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

	Number of Issued Shares	
	31/3/2018	31/12/2017
Balance as at 1 January	233,550,248	233,550,248
Issue of shares	-	-
Balance as at	233,550,248	233,550,248

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

There are no treasury shares as at the end of current period.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There are no subsidiary holdings.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

On January 2018, the Group adopted the new financial reporting framework – Singapore Financial Reporting Standards (International) (SFRS(I)) which is identical to the International Financial Reporting Standards (IFRS). SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)* will be applied in the first set of SFRS(I) financial statements.

The Group has performed an assessment of the transition options and other requirements of SFRS(I) and has determined that there are no changes to the Group's current accounting policies under the financial reporting Standards in Singapore or material adjustment on the initial transition of the new framework.

In addition, the Group has adopted SFRS(I) 15 Revenue from Contracts with Customers, which is effective for financial periods beginning January 1, 2018. SFRS(I) 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

The core principle of SFRS(I) 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specially, the Standard introduces a 5-step approach to revenue recognition:

Under SFRS(I) 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in SFRS(I) 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by SFRS(I) 15.

The application of SFRS(I) 15 has change the Group's accounting relating to revenue recognition for certain revenue streams.

The effect to the Group's financial statements after the adoption of SFRS(I) 15 are as follows:

Income statement for the 1st quarter ended 31 March 2017			
	As previously stated	Restatement	As Restated
	S\$'000	S\$'000	S\$'000
Revenue	44,636	(1,086)	43,550
Raw materials and consumables used	11,566	(1,086)	10,480

Except for SFRS(I) 15 as disclosed above, the adoption of the new SFRS(I)s, amendments and interpretations of SFRS(I)s which took effect in the current financial year, there were no other changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements.

Notwithstanding the adoption of the new SFRS(I), interim financial information may be subject to change until all standards effective on 31 December 2018 are known and incorporated.

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

	31/3/2018	31/3/2017
Earnings per Ordinary Share for the year based on net profit attributable to shareholders :-		
i) Based on the weighted average number of ordinary shares on issue (cents)	0.85	1.30
ii) On a fully diluted basis (cents)	0.85	1.30

Note

- The earnings per ordinary share ("EPS") for the period ended March 31, 2018 has been calculated on weighted average number of ordinary shares in issue of 233,550,248 (2017 : 233,550,248) ordinary shares.
- Fully diluted EPS for the period ended March 31, 2018 is calculated on 233,550,248 (2017 : Diluted EPS is calculated at 233,550,248) ordinary shares.

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

	GROUP		COMPANY	
	Mar'18	Dec'17	Mar'18	Dec'17
Net asset value per ordinary share based on issued share capital at the end of the period	66.45 cts	65.37 cts	29.87 cts	29.80 cts

Note: The net asset value per ordinary share for the period ended March 31, 2018 have been calculated based on the issued share capital of 233,550,248 shares (2017 : 233,550,248)

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Income Statement

1Q FY 2018 vs 1Q FY 2017

For the first quarter ended 31 March 2018, the Group achieved total revenue of \$42.3 million, 2.9% lower than the \$43.6 million achieved in the same period last year.

The Print-related business accounted for 56.6% of the Group's revenue and the Non-print business contributed the remaining 43.4%. In terms of geographical perspective, the Singapore operations continued to be the main contributor and it accounted for 57.6% of the Group's revenue. The China operations remained as the second largest contributor, accounting for 28.4% of the Group's revenue.

For the Print-related business, revenue decreased by 4.0% from \$24.8 million to \$23.9 million whilst revenue for the Non-print business decreased by 2.0% from \$18.5 million to \$18.1 million. The decrease in the Print segment revenue was mainly due to decrease in demand from some existing customers in China. For the Non-Print business, the decrease was mainly due to decrease in demand from some existing customers in Singapore.

The Group's operating profit before tax for the first quarter ended 31 March 2018 decreased by 34.9% from \$4.6 million to \$3.0 million for the same period in the previous year. This was mainly due to reduction in revenue and higher cost of operations.

For the Print-related business, operating profit before tax (after allocation of corporate services performance) decreased by 81.1% from \$1.2 million to \$0.2 million mainly due to reduction in revenue and higher costs of operations.

For the Non-print business, operating profit before tax (after allocation of corporate services performance) decreased by 20.3% from \$3.4 million to \$2.7 million. The decrease in operating profit was mainly due to decrease in revenue attributable to lower demand from some existing customers.

The Group's other income for the first quarter ended 31 March 2018 decreased by 26.4% from \$0.4 million to \$0.3 million. This was mainly due to the absence of one-off other income in Singapore and China.

The Group's depreciation and amortisation expenses increased by 7.7% from \$2.3 million to \$2.5 million as a result of the Group's increased investments in property, plant and equipment in Singapore, China and Indonesia.

Statement of Financial Position

Total assets decreased 1.1% from \$192.7 million as at 31 December 2017 to \$190.7 million as at 31 March 2018.

Current assets decreased 2.9% from \$92.1 million as at 31 December 2017 to \$89.4 million as at 31 March 2018. The decrease was mainly due to lower trade and other receivables and lower inventories level offset by the increase in cash and cash equivalents.

Cash and cash equivalents increased slightly by 1.2% to \$28.1 million as of 31 March 2018 as compared to \$27.7 million as at 31 December 2017. This was mainly due to improvement in collections and lower inventory holding.

Trade and other receivables decreased by 5.8% from \$50.5 million in the previous year to \$47.6 million as at 31 March 2018, mainly due to subsequent collection in the current financial year as well as lower sales in the first quarter ended 31 March 2018.

Inventories decreased 0.3% from \$13.9 million to \$13.8 million over the same corresponding period, due to better inventory management.

Non-current assets increased 0.5% from \$100.7 million as at 31 December 2017 to \$101.2 million as at 31 March 2018. This was primarily due to the increase in other assets and joint venture, offset by the decrease in property, plant and equipment and land use rights.

Property, plant and equipment decreased \$0.5 million (or 0.7%) from \$77.0 million as at 31 December 2017 to \$76.5 million as at 31 March 2018. Land use rights decrease \$0.1 million (or 0.9%) from \$6.7 million as at 31 December 2017 to \$6.6 million as at 31 March 2018. This was mainly due to depreciation and amortisation charges for the current financial period.

Other assets increased \$0.9 million (or 77.4%) from \$1.2 million as at 31 December 2017 to \$2.1 million as at 31 March 2018. The increase was mainly due to down payment for plant and equipment in Singapore and China.

Joint venture in Malaysia increased \$0.1 million (or 2.9%) from \$4.5 million as at 31 December 2017 to \$4.6 million as at 31 March 2018. The increase was mainly due to translation difference as a result of appreciation of Malaysian Ringgit against Singapore Dollar during the current financial period.

Total liabilities decreased 14.3% from \$36.2 million as at 31 December 2017 to \$31.0 million as at 31 March 2018. Current liabilities decreased 15.7% from \$32.7 million to \$27.6 million while non-current liabilities remained at \$3.5 million. The decrease in liabilities was mainly due to the repayment of finance leases and the payment of trade and other payables.

Statement of Cash Flows

For the first quarter ended 31 March 2018, the Group generated positive cash flow of \$2.5 million from operations after working capital changes. It was \$0.9 million for the same period in the previous year. This increase was mainly attributed to the absence of the paying down of trade and other payables from the completion of the one-time warehouse storage and distribution project.

During this period, the Group continued to invest \$1.4 million in plant and equipment. These include additional plant and equipment in Singapore and for subsidiaries in China and Indonesia.

The Group's net cash flow from financing activities registered a lower negative cash flow of \$0.2 million compared to a negative cash flow of \$2.0 million for the same period in the previous year. This was mainly due to bank loan for Pixel Red fully repaid as at 31 December 2017 and no dividends payments.

The Group's debt to equity ratio has correspondingly decreased from 0.8% as at 31 December 2017 to 0.6% as at 31 March 2018.

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

The results are in line with the commentary previously stated in Paragraph 10 of the announcement for the financial year ended 31 December 2017.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Although the general economic outlook is showing improvement, the competition in the region continues to result in downward pressure on pricing, whilst the rising operating cost would further squeeze our margins. The management will continue to take steps to be competitive, widen revenue sources and manage its cost structure.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect

Not Applicable

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

The company did not obtain a general mandate from shareholders for IPTs.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

The Board of Directors do hereby confirm that to the best of their knowledge, nothing has come to their attention which may render the un-audited results of the Group, for the three months ending March 31, 2018, to be false or misleading.

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

The Company has procured undertakings from all its directors and executive officers.

**BY ORDER OF THE BOARD
Thomas Chua Kee Seng
Chairman & Managing Director
May 11, 2018
Singapore**