

**Unaudited Half Year Financial Statement and Dividend Announcement for the Financial Period
Ended 30 September 2019**

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

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

	Group		
	S\$'000		%
	Six months ended 30/09/2019	Six months ended 30/09/2018 (Restated)	Increase/ (Decrease)
Other income	214	237	(9.7)
Administrative and other operating expenses	(395)	(493)	(19.9)
Finance costs	(50)	(22)	127.3
Share of results of associate, net of tax	(197)	(244)	(19.3)
Loss before income tax from continuing operations	(428)	(522)	(18.0)
Income tax expense	-	-	-
Loss from continuing operations, net of tax	(428)	(522)	(18.0)
Loss from discontinued operation, net of tax	(397)	(777)	(48.9)
Loss for the financial year	(825)	(1,299)	(36.5)
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations, representing other comprehensive income from discontinued operations for the financial year, net of tax	22	73	(69.9)
Total comprehensive income for the financial year	(803)	(1,226)	(34.5)

1(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year. – For discontinued operations

The results of the discontinued operations (PCB Segment) of CPH Group are as follows:

	PCB Segment		
	S\$'000		%
	Six months ended 30/09/2019	Six months ended 30/09/2018	Increase/ (Decrease)
Revenue	2,306	2,328	(0.9)
Cost of sales	(2,460)	(2,716)	(9.4)
Gross loss	(154)	(388)	(60.3)
Other income	15	19	(21.1)
Selling and distribution expenses	(10)	(29)	(65.5)
Administrative and other operating expenses	(235)	(363)	(35.3)
Finance costs	(13)	(16)	(18.8)
Loss before income tax from discontinued operation	(397)	(777)	(48.9)
Income tax expense	-	-	-
Loss from discontinued operation, net of tax	(397)	(777)	(48.9)

1 (a)(ii) Notes to consolidated statement of comprehensive income

	Group		
	S\$'000		%
	Six months ended 30/09/2019	Six months ended 30/09/2018	Increase/ (Decrease)
Loss after income tax is arrived at:			
<u>Continuing Operations</u>			
After charging:			
Depreciation of property, plant and equipment	16	19	(15.8)
Interest expense	50	22	127.3
and crediting:			
Interest income	4	16	(75.0)
Rental Income	206	215	(4.2)
<u>Discontinued Operations</u>			
After charging:			
Depreciation of property, plant and equipment	113	142	(20.4)
Foreign exchange loss, net	46	170	(72.9)
Interest expense	13	16	(18.8)

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

	Group As at 30/09/2019 S\$'000	Group As at 31/3/2019 (Restated) S\$'000	Company As at 30/09/2019 S\$'000	Company As at 31/3/2019 S\$'000
Non-current assets				
Subsidiaries	-	-	8,429	8,429
Associate	203	400	-	-
Property, plant and equipment	97	110	-	-
Right-of-use asset	1,737	-	-	-
Investment property	8,000	8,000	-	-
	<u>10,037</u>	<u>8,510</u>	<u>8,429</u>	<u>8,429</u>
Current assets				
Trade and other receivables	20	224	2,536	2,895
Prepayments	18	19	16	9
Fixed deposits with banks	-	905	-	-
Cash and bank balances	612	74	369	22
Assets of disposal group classified as held for sale	2,340	2,659	-	-
	<u>2,990</u>	<u>3,881</u>	<u>2,921</u>	<u>2,926</u>
Less:				
Current liabilities				
Trade and other payables	538	508	586	377
Lease liability	86	-	-	-
Finance lease payables	3	6	-	-
Bank borrowings	33	344	-	-
Liabilities of a disposal group classified as held for sale	1,385	1,370	-	-
	<u>2,045</u>	<u>2,228</u>	<u>586</u>	<u>377</u>
Net current assets	<u>945</u>	<u>1,653</u>	<u>2,335</u>	<u>2,549</u>
Non-current liabilities				
Lease liability	(1,622)	-	-	-
Finance lease payables	(8)	(8)	-	-
	<u>(1,630)</u>	<u>(8)</u>	<u>-</u>	<u>-</u>
	<u>9,352</u>	<u>10,155</u>	<u>10,764</u>	<u>10,978</u>
Capital and reserves				
Share capital	24,764	24,764	24,764	24,764
Foreign currency translation account	(256)	(278)	-	-
Share-based payment reserve	10	10	10	10
Accumulated losses	(15,166)	(14,341)	(14,010)	(13,796)
Total equity	<u>9,352</u>	<u>10,155</u>	<u>10,764</u>	<u>10,978</u>

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

As at 30/9/2019		As at 31/03/2019	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
3	33	6	344

Amount repayable after one year

As at 30/9/2019		As at 31/3/2019	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
8	-	8	-

Details of any collateral

The finance leases of the Group are secured by PCB Tester and a copier.

1(b)(iii) Details of disposal group

	As at 30/9/2019	As at 31/03/2019
	\$'000	\$'000
Property, plant and equipment	640	757
Inventories	689	894
Trade and other receivables	981	975
Prepayments	16	24
Cash and cash equivalents	14	9
Assets of disposal group classified as held for sale	<u>2,340</u>	<u>2,659</u>
Trade and other payables	777	694
Bank Borrowings	608	676
Liabilities of disposal group classified as held for sale	<u>1,385</u>	<u>1,370</u>

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

	Group	
	Six months ended 30/09/2019 S\$'000	Six months ended 30/09/2018 S\$'000
Operating activities		
Loss before income tax from continuing operations	(428)	(522)
Loss before income tax from discontinued operations	(397)	(777)
Total loss before tax	(825)	(1,299)
Adjustments for:		
Gain on disposal of property, plant and equipment	-	(2)
Depreciation of property, plant and equipment	129	164
Interest expense	63	38
Interest income	(4)	(16)
Share of results of associate, net of tax	197	152
Unrealised foreign exchange loss	34	244
Operating cash flows before working capital changes	(406)	(719)
Working capital changes:		
Inventories	199	96
Trade and other receivables	195	(355)
Prepayment	9	2
Trade and other payables	115	58
Net cash from / (used in) operating activities	112	(918)
Investing activities		
Proceeds from sale of plant and equipment	-	2
Purchase of plant and equipment	(3)	(14)
Interest received	4	16
Net cash from investing activities	1	4
Financing activities		
Proceeds from trust receipts	1,307	1,727
Repayment of trust receipts	(1,408)	(1,688)
Repayment of bank borrowing	-	(783)
Repayment of lease liability	(73)	-
Repayment of finance lease payable	(3)	(16)
Interest paid	(19)	(38)
Net cash used in financing activities	(196)	(798)
Net change in cash and cash equivalents	(83)	(1,712)
Cash and cash equivalents at beginning of financial year	639	3,215
Effects of exchange rate changes on cash and cash equivalents	-	(1)
Cash and cash equivalents at end of financial year (See Note A)	556	1,502

Note A

Cash and cash equivalents comprise fixed deposits and cash and bank balances.

	Six months ended 30/09/2019 S\$'000	Six months ended 30/09/2018 S\$'000
Fixed deposits with banks	-	1,899
Cash and bank balances	625	177
Bank overdrafts	(69)	(574)
	<hr/>	<hr/>
	556	1,502
	<hr/>	<hr/>

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

The Group	Share capital S\$'000	Foreign currency translation account S\$'000	Share-based payment reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance as at 1 April 2018	24,764	(366)	10	(12,092)	12,316
Loss for the financial year	-	-	-	(1,299)	(1,299)
Other comprehensive income: Exchange differences on translating foreign operation	-	73	-	-	73
Total comprehensive income for the financial year	-	73	-	(1,299)	(1,226)
Balance at 30 September 2018	24,764	(293)	10	(13,391)	11,090
Balance as at 1 April 2019	24,764	(278)	10	(14,341)	10,155
Loss for the financial year	-	-	-	(825)	(825)
Other comprehensive income: Exchange differences on translating foreign operation	-	22	-	-	22
Total comprehensive income for the financial year	-	22	-	(825)	(803)
Balance as at 30 September 2019	24,764	(256)	10	(15,166)	9,352

The Company	Share capital S\$'000	Accumulated losses S\$'000	Share-based payment reserve S\$'000	Total S\$'000
Balance at 1 April 2018	24,764	(10,527)	10	14,247
Total comprehensive income for the financial period	-	(223)	-	(223)
Balance at 30 September 2018	24,764	(10,750)	10	14,024
Balance at 1 April 2019	24,764	(13,796)	10	10,978
Total comprehensive income for the financial period	-	(214)	-	(214)
Balance at 30 September 2019	24,764	(14,010)	10	10,764

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.

The share capital of the Company was S\$24,764,175 divided into 1,229,226,124 ordinary shares as at 31 March 2019 and 30 September 2019. There was no change in the Company’s share capital from 31 March 2019 up to 30 September 2019.

The Company did not have any outstanding convertible securities or treasury shares as at 30 September 2019 and 30 September 2018. There were also no subsidiary holdings as at 30 September 2019 and 30 September 2018.

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

The total number of issued shares of the Company as at 30 September 2019 and 31 March 2019 was 1,229,226,124 ordinary shares.

The Company did not have any treasury shares as at 30 September 2019 and 31 March 2019.

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.

Not applicable, as the Company did not have treasury shares during and as at the end of the current financial period reported on.

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.

Not applicable, as there were no subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have not been audited nor 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 financial statements have been applied.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on as compared with those in the Company’s most recently audited financial statements for the financial year ended 31 March 2019 (“**FY2019**”).

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

The Group has adopted SFRS(I) 16 *Leases* with effect from this current financial period beginning on 1 April 2019 using the modified retrospective method in accordance with the transitional provisions, and will include the required additional disclosures in the financial statements for that financial year. The Company has recognized a right-of-use asset and the corresponding lease liability in its statement of financial position in relation to its JTC leasehold property.

Upon the adoption SFRS(I) 16 *Leases*, the Group has capitalised the land rents payable to JTC on the consolidated statement of financial position by recognizing these as “right-of-use” asset of \$1,737,000 and the corresponding current and non-current portion of lease liabilities at the present value of future lease payments of \$86,000 and \$1,622,000 respectively.

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.

Continuing operations	Group	
	30/09/2019	30/09/2018
Loss per ordinary share of the Group based on loss attributable to owners of the Company		
Loss from continuing operations attributable to owners of the parent (SGD' 000)	(428)	(522)
(a) Based on the number of ordinary shares in issue (SGD cents)	(0.03)	(0.04)
(b) On a fully diluted basis (SGD cents)	(0.03)	(0.04)

Discontinued operations	Group	
	31/03/2019	30/09/2018
Loss per ordinary share of the Group based on loss attributable to owners of the Company		
Loss from discontinued operations attributable to owners of the parent (SGD' 000)	(397)	(777)
(a) Based on the number of ordinary shares in issue (SGD cents)	(0.03)	(0.06)
(b) On a fully diluted basis (SGD cents)	(0.03)	(0.06)

Loss per ordinary share for the half year ended 30 September 2019 and half year ended 30 September 2018 in item 6(a) were computed based on the loss attributable to the equity holders

of the Company divided by the weighted average number of ordinary shares in issue of 1,229,226,124 ordinary shares for the said financial periods.

Loss per ordinary share on a fully diluted basis are the same as the basic loss per ordinary share for 1H2020 and 1H2019 because the Company did not have any potential dilutive ordinary shares as at the end of the respective financial periods.

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	
	As at 30/09/2019	As at 31/03/2019	As at 30/09/2019	As at 31/03/2019
Net asset value per ordinary share based on issued share capital (SGD cents)	0.76 cents	0.83 cents	0.88 cents	0.89 cents

Net asset value per share of the Group and Company were calculated based on the net assets of the Group and Company respectively, divided by the issued ordinary share capital of 1,229,226,124 shares as at 30 September 2019 and 31 March 2019.

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 factor 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.

Review of the Financial Performance of the Group for the half year ended 30 September 2019 (“1H2020”) vs. half year ended 30 September 2018 (“1H2019”)

Discontinued Operations (Printed Circuit Boards Business Segment (“PCB Segment”)

Revenue

The PCB Segment recorded a slight decrease in its revenue. The Company plans to discontinue its PCB operations by the end of November 2019, further details of which are set out in Paragraph 10 of this announcement.

Gross Loss

The gross loss reduced due to a higher proportion of products with higher margins sold.

Expenses

Selling and distribution expenses decreased mainly due to lower sales commission.

The PCB Segment’s administrative and other operating expenses reduced mainly due to lower exchange loss and lower professional fees incurred in relation to quality control certifications. This is in line with fewer but larger volume contracts received.

Continuing Operations

Interest Income

The interest income reduced in 1H2020 as fixed deposits with banks had been utilized during 1H2020.

Expenses

The Group's administrative and other expenses decreased due mainly to the classification in 1H2020 of JTC land rents recorded as lease expense in 1H2019 to interest expense recorded under finance cost with the adoption of SFRS(I) 16 *Leases*.

The Group's depreciation expenses remained at approximately S\$0.02 million for both 1H2019 and 1H2020.

The Group's finance cost increased in 1H2020 due to the recognition of S\$0.04 million interest expense under SFRS(I) 16 *Leases*, offset by lower utilization of bank facilities during 1H2020.

Share of result of associate, net of tax

The Group recorded a loss from share of result of associate as the food and beverage industry that the Group invested in continued to face strong competition.

Statement of Financial Position for Continuing Operations

Associate decreased due to share of the increased losses made by the associate in 1H2020 as explained above.

Upon adoption of SFRS(I) 16 *Leases*, the Group recognized a right-of-use asset and the corresponding lease liability (current and non-current) in the statement of financial position, in relation to the JTC land rents.

Trade and other receivables reduced as the full amount due from oCap Management Pte. Ltd. ("oCap") in relation to the aborted reverse take-over exercise (which made up most of the other receivables) was collected before the end of 1H2020.

The assets of disposal group classified as held for sale reduced mainly due to the loss arising from the discontinued operation of the PCB segment.

Fixed deposits with banks decreased as the Group had transferred all deposits to current accounts with banks for working capital use.

Trade and other payables increased slightly from S\$0.51 million as at the end of FY2019 to S\$0.54 million as at the end of 1H2020 due to inclusion of professional fees relating to the reverse take-over exercise.

Bank borrowings reduced as most of the bank overdrafts were covered using the fixed deposits withdrawn.

The Group's working capital as at the end of 1H2020 was S\$0.95 million.

Statement of Financial Position for PCB Segment (Discontinued Operations)

The PCB Segment's property, plant and equipment decreased due to depreciation charges.

Inventories reduced as the PCB Segment planned to cease operations.

Trade and other payables increased as there were purchases during the last few months of 1H2020 to meet final orders from customers.

Bank borrowings were reduced as the PCB Segment utilized lesser banking facilities.

Cash Flow and Working Capital

The Group has an operating cash outflow of S\$0.41 million before working capital changes for 1H2020. During 1H2020, trade and other receivables decreased by S\$0.20 million and inventories decreased by S\$0.20 million, whereas trade and other payables increased by S\$0.12 million. As the result, an amount of S\$0.11 million was generated from operating activities. The decrease in inventories was the result of the planned cessation of the PCB Segment's operations while trade and other receivables decreased due to full collection of the amount due from oCap. Trade and other payables increased due to higher purchases in the later part of 1H2020.

For the financing activities, a net amount of S\$1.31 million was generated from the proceeds of banking facilities to purchase raw materials and S\$1.41 million was utilized to settle trust receipts, finance lease instalments and interests. Net cash used for financing activities amounted to S\$0.20 million in 1H2020.

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

Not applicable as no prospect statement in respect of 1H2020 was previously disclosed to shareholders.

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.

Given the continuous losses suffered by the PCB segment and the intensified market competition in the printed circuit board industry, the Group has decided to cease operations of its PCB segment business by the end of November 2019. Please refer to the announcement dated 14 November 2019 of the same for further information.

The Group will continue to contain its operating loss and is in the midst of searching for a new viable business. Currently, there are on-going discussions with potential buyers for the PCB segment's assets. The Company will update shareholders via SGXNET as and when there are material developments to the aforementioned.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) ***Date payable***

Not Applicable.

(d) ***Books closure date***

Not Applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared / recommended for the six months period ended 30 September 2019 as the Company was not making any profits.

13. Requirement under Rule 705(5) of the SGX-ST Listing Manual Section B – Rules of Catalist

The Board of Directors of the Company hereby confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited half year results for the six months financial period ended 30 September 2019 to be false or misleading in any material aspect.

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

The Group does not have a general mandate for recurrent interested person transactions. There were no interested person transactions with value of S\$100,000 or more during 1H2020.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the form set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers (in the form set out in Appendix 7H) under Rule 720(1).

BY ORDER OF THE BOARD

Choo Tung Kheng
Managing Director
14 November 2019

This announcement has been prepared by CPH Ltd. (the “Company”) and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the information or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg)