



ACMA LTD

(Incorporated in the Republic of Singapore)

(Company Registration No.: 196500233E)

Unaudited Full Year Financial Statements And Related Announcement for the Financial Period Ended 31 March 2017

PART 1- INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 1 (a) A consolidated statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Note | Group | | |
|--|----------|----------------------------|-----------------|-----------------|
| | | 1st Quarter Ended 31 March | | |
| | | 2017 | 2016 | Incr/ (Decr) |
| | | S\$'000 | S\$'000 | % |
| Revenue | | | | |
| Revenue | | 15,624 | 11,384 | 37.2 |
| Other revenue | | 92 | 147 | (37.4) |
| Total revenue | | 15,716 | 11,531 | 36.3 |
| Costs and expenses | | | | |
| Raw materials and consumables used | | (8,470) | (6,529) | 29.7 |
| Labour costs | | (1,108) | (922) | 20.2 |
| Staff costs | | (2,723) | (2,354) | 15.7 |
| Finance costs | | (174) | (67) | 159.7 |
| Depreciation of property, plant and equipment | | (762) | (490) | 55.5 |
| Other operating expenses | | (3,803) | (3,187) | 19.3 |
| Total costs and expenses | A | (17,040) | (13,549) | 25.8 |
| Loss from operations | | (1,324) | (2,018) | (34.4) |
| Share of results of associates | | (3) | (64) | (95.3) |
| Loss before income tax | | (1,327) | (2,082) | (36.3) |
| Income tax expense | B | (82) | (100) | (18.0) |
| Loss for the period | | (1,409) | (2,182) | (35.4) |
| Other comprehensive (expense)/income:- | | | | |
| <u>Items that may be reclassified subsequently to profit or loss</u> | | | | |
| Exchange difference on translating foreign operations | | (456) | 690 | N/M |
| Other comprehensive (expense)/income for the period | | (456) | 690 | N/M |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | | (1,865) | (1,492) | 25.0 |
| Loss attributable to :- | | | | |
| Owners of the parent | | (1,248) | (2,056) | (39.3) |
| Non-controlling interests | | (161) | (126) | 28.1 |
| | | (1,409) | (2,182) | (35.4) |
| Total comprehensive loss attributable to :- | | | | |
| Owners of the parent | | (1,704) | (1,366) | 24.7 |
| Non-controlling interests | | (161) | (126) | 28.1 |
| | | (1,865) | (1,492) | 25.0 |
| | | - | - | |

N/M - not meaningful



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

Statements of Financial Position

ASSETS

Non-current Assets

| | | |
|---------------------------------|---------------|---------------|
| Property, plant and equipment | 10,745 | 11,549 |
| Investments in subsidiaries | - | - |
| Investments in associates | 56 | 59 |
| Other investments | 1,806 | 1,919 |
| Intangible assets | 3,952 | 3,965 |
| Other assets | 1,567 | 1,553 |
| Other receivables | 3,314 | 7,401 |
| Total non-current assets | 21,440 | 26,446 |

Current Assets

| | | |
|---------------------------------|---------------|---------------|
| Inventories | 11,645 | 9,654 |
| Work-in-progress | 79 | 290 |
| Trade and other receivables | 34,628 | 32,939 |
| Amounts owing by subsidiaries | - | - |
| Derivative financial instrument | 83 | 83 |
| Marketable securities | 4 | 4 |
| Cash and bank balances | 7,097 | 6,792 |
| Total current assets | 53,536 | 49,762 |

TOTAL ASSETS

EQUITY AND LIABILITIES

Equity

| | | |
|--|---------------|---------------|
| Share capital | 195,039 | 195,039 |
| Capital reserve | 3,789 | 3,789 |
| Employee share options reserve | 97 | 97 |
| General reserve | 290 | 290 |
| Accumulated losses | (169,910) | (168,662) |
| Foreign currency translation reserve | 2,808 | 3,264 |
| Equity attributable to owners of the parent | 32,113 | 33,817 |

Non-controlling Interests

Total Equity

Non-current Liabilities

| | | |
|--------------------------------------|--------------|--------------|
| Finance lease payables | 601 | 576 |
| Bank borrowings (term loan) | 15 | 17 |
| Provision | 301 | 401 |
| Deferred tax liabilities | 552 | 574 |
| Total non-current liabilities | 1,469 | 1,568 |

Current Liabilities

| | | |
|----------------------------------|---------------|---------------|
| Work-in-progress | - | 34 |
| Finance lease payables | 140 | 212 |
| Provision | 402 | 402 |
| Bank borrowings | 9,785 | 8,006 |
| Trade and other payables | 26,292 | 27,315 |
| Amounts owing to subsidiaries | - | - |
| Income tax payables | 563 | 481 |
| Total current liabilities | 37,182 | 36,450 |

Total Liabilities

TOTAL EQUITY AND LIABILITIES

| GROUP | GROUP |
|------------|------------|
| 31.03.2017 | 31.12.2016 |
| S\$'000 | S\$'000 |
| | |
| | |
| 10,745 | 11,549 |
| - | - |
| 56 | 59 |
| 1,806 | 1,919 |
| 3,952 | 3,965 |
| 1,567 | 1,553 |
| 3,314 | 7,401 |
| 21,440 | 26,446 |
| | |
| | |
| 11,645 | 9,654 |
| 79 | 290 |
| 34,628 | 32,939 |
| - | - |
| 83 | 83 |
| 4 | 4 |
| 7,097 | 6,792 |
| 53,536 | 49,762 |
| | |
| 74,976 | 76,208 |
| | |
| | |
| 195,039 | 195,039 |
| 3,789 | 3,789 |
| 97 | 97 |
| 290 | 290 |
| (169,910) | (168,662) |
| 2,808 | 3,264 |
| 32,113 | 33,817 |
| | |
| 4,212 | 4,373 |
| 36,325 | 38,190 |
| | |
| | |
| 601 | 576 |
| 15 | 17 |
| 301 | 401 |
| 552 | 574 |
| 1,469 | 1,568 |
| | |
| | |
| - | 34 |
| 140 | 212 |
| 402 | 402 |
| 9,785 | 8,006 |
| 26,292 | 27,315 |
| - | - |
| 563 | 481 |
| 37,182 | 36,450 |
| | |
| 38,651 | 38,018 |
| | |
| 74,976 | 76,208 |

| COMPANY | COMPANY |
|------------|------------|
| 31.03.2017 | 31.12.2016 |
| S\$'000 | S\$'000 |
| | |
| | |
| 48 | 50 |
| 19,869 | 19,870 |
| 20 | 20 |
| - | - |
| - | - |
| 1,069 | 1,096 |
| - | - |
| 21,006 | 21,036 |
| | |
| | |
| - | - |
| - | - |
| 166 | 166 |
| 26,774 | 46,466 |
| - | - |
| - | - |
| 46 | 71 |
| 26,986 | 46,703 |
| | |
| 47,992 | 67,739 |
| | |
| | |
| 195,039 | 195,039 |
| - | - |
| 97 | 97 |
| 290 | 290 |
| (172,136) | (171,409) |
| - | - |
| 23,290 | 24,017 |
| | |
| - | - |
| 23,290 | 24,017 |
| | |
| | |
| - | - |
| - | - |
| - | - |
| - | - |
| - | - |
| 927 | 955 |
| 23,775 | 42,767 |
| - | - |
| 24,702 | 43,722 |
| | |
| 24,702 | 43,722 |
| | |
| 47,992 | 67,739 |



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Notes to the Financial Statements

A. Other Operating Expenses

Other Operating Expenses include the following charges/(credits) :-

Amortisation of long term operating lease
Reversal of impairment loss on other investments
Amortisation of other assets
Write-off of property, plant & equipment
Gain on revaluation of marketable securities
Loss on foreign exchange (net)
Write-back of amortisation on provision for onerous contract

| Group | | |
|----------------------------|---------|-------------|
| 1st Quarter Ended 31 March | | |
| 2017 | 2016 | Incr/(Decr) |
| S\$'000 | S\$'000 | % |
| 142 | 142 | 0.0 |
| (93) | - | N/M |
| 27 | 27 | 0.0 |
| 2 | - | N/M |
| - | (1) | (100.0) |
| 208 | 416 | (50.0) |
| (100) | (76) | (31.6) |

N/M - not meaningful

B. Income Tax Expense

Current taxation
Under provision in respect of prior years:-
Current taxation
Charge for the period

| Group | | |
|----------------------------|---------|-------------|
| 1st Quarter Ended 31 March | | |
| 2017 | 2016 | Incr/(Decr) |
| S\$'000 | S\$'000 | % |
| 82 | 100 | (18.0) |
| - | - | - |
| 82 | 100 | (18.0) |

1 (b) (ii) Aggregate Amount of Group's borrowings and Debt Securities.

Amount Repayable in One Year or Less, or On Demand :-

| As at 31 March 2017 | |
|---------------------|--------------|
| Secured | Unsecured |
| S\$140,000 | S\$9,785,000 |

| As at 31 December 2016 | |
|------------------------|--------------|
| Secured | Unsecured |
| S\$212,000 | S\$8,006,000 |

Amount Repayable After One Year :-

| As at 31 March 2017 | |
|---------------------|-----------|
| Secured | Unsecured |
| S\$601,000 | S\$15,000 |

| As at 31 December 2016 | |
|------------------------|-----------|
| Secured | Unsecured |
| S\$576,000 | S\$17,000 |

Details of Any Collateral :-

Finance lease payables amounting to S\$741,000 (31 December 2016: S\$788,000) are secured on certain of the Group's equipment with net book value of S\$1,118,000.



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

Operating Activities:

| | | |
|---|---------|---------|
| Loss before income tax | (1,327) | (2,082) |
| Adjustments for :- | | |
| Depreciation of property, plant and equipment | 762 | 490 |
| Amortisation of long-term operating lease | 142 | 142 |
| Reversal of impairment loss on other investments | (93) | - |
| Amortisation of other assets | 27 | 27 |
| Write-off of property, plant and equipment | 2 | - |
| Unrealised foreign exchange differences | 40 | 474 |
| Amortisation of tangible assets | 13 | - |
| Interest income | (10) | (9) |
| Interest expense | 167 | 212 |
| Amortisation on provision for onerous contract | (100) | (76) |
| Gain on revaluation of marketable securities | - | (1) |
| Share of results of associates | 3 | 64 |
| Total operating cash outflows before movements in working capital | (374) | (759) |

Changes in working capital:

| | | |
|--|---------|---------|
| Trade and other receivables | 2,399 | 6,360 |
| Inventories and work-in-progress | (1,815) | 12 |
| Trade and other payables | (1,024) | (4,784) |
| Cash (used in)/generated from operations | (814) | 829 |
| Income taxes paid | (20) | (365) |

Net cash flows (used in)/generated from operating activities

Investing Activities:

| | | |
|---|-------|------|
| Interest received | 10 | 6 |
| Purchase of property, plant and equipment | (205) | (36) |
| Increase in other assets | (41) | - |

Net cash flows used in investing activities

Financing Activities:

| | | |
|---|---------|---------|
| Interest paid | (167) | (212) |
| Proceeds from bank borrowings | 6,063 | 4,411 |
| Repayments of bank borrowings | (4,771) | (6,347) |
| Decrease in finance lease | (49) | (7) |
| Increase in amounts owing by associates | - | 31 |

Net cash flows generated from/(used in) financing activities

Net increase/(decrease) in cash and cash equivalents

| | | |
|--|-------|---------|
| Cash and cash equivalents at beginning of the financial year | 6 | (1,690) |
| Effect of currency translation on cash and cash equivalents | 5,257 | 9,305 |
| | (187) | (324) |

Net increase in cash and cash equivalents

Cash and cash equivalents comprise the following :-

| | | |
|------------------------|---------|-------|
| Cash and bank balances | 7,097 | 7,927 |
| Bank overdrafts | (2,021) | (636) |
| | 5,076 | 7,291 |

| Group | |
|----------------------------|---------|
| 1st Quarter Ended 31 March | |
| 2017 | 2016 |
| S\$'000 | S\$'000 |
| (1,327) | (2,082) |
| 762 | 490 |
| 142 | 142 |
| (93) | - |
| 27 | 27 |
| 2 | - |
| 40 | 474 |
| 13 | - |
| (10) | (9) |
| 167 | 212 |
| (100) | (76) |
| - | (1) |
| 3 | 64 |
| (374) | (759) |
| 2,399 | 6,360 |
| (1,815) | 12 |
| (1,024) | (4,784) |
| (814) | 829 |
| (20) | (365) |
| (834) | 464 |
| 10 | 6 |
| (205) | (36) |
| (41) | - |
| (236) | (30) |
| (167) | (212) |
| 6,063 | 4,411 |
| (4,771) | (6,347) |
| (49) | (7) |
| - | 31 |
| 1,076 | (2,124) |
| 6 | (1,690) |
| 5,257 | 9,305 |
| (187) | (324) |
| 5,076 | 7,291 |
| 7,097 | 7,927 |
| (2,021) | (636) |
| 5,076 | 7,291 |
| - | - |



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- 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.

STATEMENTS OF CHANGES IN EQUITY

| GROUP | Attributable to Owners of the Parent | | | | | | | | Non-controlling interests | Total equity |
|---|--------------------------------------|-----------------|-----------------|--------------------------------|-----------------|--------------------|--------------------------------------|---------|---------------------------|--------------|
| | Share capital | Warrant reserve | Capital reserve | Employee share options reserve | General reserve | Accumulated losses | Foreign currency translation reserve | Total | | |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| YEAR 2017 | | | | | | | | | | |
| Balance at 1 January 2017 | 195,039 | - | 3,789 | 97 | 290 | (168,662) | 3,264 | 33,817 | 4,373 | 38,190 |
| Total comprehensive loss for the financial period | - | - | - | - | - | (1,248) | (456) | (1,704) | (161) | (1,865) |
| Balance at 31 March 2017 | 195,039 | - | 3,789 | 97 | 290 | (169,910) | 2,808 | 32,113 | 4,212 | 36,325 |
| YEAR 2016 | | | | | | | | | | |
| Balance at 1 January 2016 | 195,038 | - | 2,104 | 97 | 290 | (168,161) | 2,354 | 31,722 | 2,530 | 34,252 |
| Total comprehensive loss for the financial period | - | - | - | - | - | (2,056) | 691 | (1,365) | (126) | (1,491) |
| Balance at 31 March 2016 | 195,038 | - | 2,104 | 97 | 290 | (170,217) | 3,045 | 30,357 | 2,404 | 32,761 |

| COMPANY | Attributable to Owners of the Company | | | | | | | |
|---|---------------------------------------|-----------------|-----------------|--------------------------------|-----------------|--------------------|--------------------------------------|---------|
| | Share capital | Warrant reserve | Capital reserve | Employee share options reserve | General reserve | Accumulated losses | Foreign currency translation reserve | Total |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| YEAR 2017 | | | | | | | | |
| Balance at 1 January 2017 | 195,039 | - | - | 97 | 290 | (171,409) | - | 24,017 |
| Total comprehensive loss for the financial period | - | - | - | - | - | (727) | - | (727) |
| Balance at 31 March 2017 | 195,039 | - | - | 97 | 290 | (172,136) | - | 23,290 |
| YEAR 2016 | | | | | | | | |
| Balance at 1 January 2016 | 195,038 | - | - | 97 | 290 | (169,926) | - | 25,499 |
| Total comprehensive loss for the financial period | - | - | - | - | - | (758) | - | (758) |
| Balance at 31 March 2016 | 195,038 | - | - | 97 | 290 | (170,684) | - | 24,741 |



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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as 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.**

Changes in Share Capital

Since 1 January 2017, no new ordinary shares have been issued by the Company.

Acma Employee Share Option Scheme 2004

As at 31 March 2017, there were outstanding options for 945,500 shares (31 March 2016: 945,500) with the exercise period from 16 August 2014 to 15 August 2018, during which option holders can subscribe for new ordinary shares at an exercise price of S\$3.40 per share. As at 31 March 2016, there were also outstanding options for 476,500 shares with the exercise period from 9 June 2012 to 8 June 2016, and at an exercise price of S\$3.50 per share.

Acma Employee Share Option Scheme 2014

As at 31 March 2017, there were outstanding options for 1,976,000 shares (31 March 2016: Nil) with the exercise period from 28 November 2017 to 27 November 2021, during which option holders can subscribe for new ordinary shares at an exercise price of S\$0.35 per share.

Outstanding Warrants

There were no outstanding Warrants as at 31 March 2017 (31 March 2016: 13,952,270). Each of the outstanding warrants in 2016 (which expired on 7 July 2016) carried the right to subscribe for one new ordinary share at an exercise price of S\$3.50 for each new share.

Treasury Shares

There were no outstanding treasury shares held by the Company as at 31 March 2017 and 31 March 2016.

- 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.**

As at 31 March 2017, the Company had 42,390,998 (31 December 2016: 42,390,998) issued and fully paid ordinary shares.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**
Not applicable.

- 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.**
The Group's accounting policies and methods of computation are consistent with those disclosed in the FY2016 audited financial statements.
- 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.**
Not applicable.

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

| | Group | |
|---|----------------------------|--------|
| | 1st Quarter Ended 31 March | |
| | 2017 | 2016 |
| Earnings/(Loss) per share (cents) | | |
| Based on weighted average number of ordinary shares | (2.9) | (4.9) |
| - weighted average number of shares ('000) | 42,391 | 42,391 |
| On a fully diluted basis, based on adjusted weighted average number of shares | (2.9) | (4.9) |
| - adjusted weighted average number of shares ('000) | 42,391 | 42,391 |

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.

| | Group | | Company | |
|--|------------|------------|------------|------------|
| | As at | As at | As at | As at |
| | 31.03.2017 | 31.12.2016 | 31.03.2017 | 31.12.2016 |
| Net asset backing per ordinary share based on issued share capital (S\$) | 0.76 | 0.80 | 0.55 | 0.57 |
| Total number of issued ordinary shares ('000) | 42,391 | 42,391 | 42,391 | 42,391 |

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

Revenue for Q1 FY2017 increased by S\$4.2 million (37.2%) from S\$11.4 million in Q1 FY2016 to S\$15.6 million. The increase was attributed mainly to sales of S\$2.2 million from Xenon (which has a Vietnam-based metal packaging and customised metal printing business) for which the results were being consolidated from Q3 FY2016 and a S\$1.6 million increase in revenue from the Group's tooling and injection molding business.

Costs and Expenses**(a) Raw materials and consumables used**

Raw materials and consumables used in Q1 FY2017 increased by S\$2.0 million (29.7%) from S\$6.5 million in Q1 FY2016 to S\$8.5 million. The increase was due mainly to the higher revenue in Q1 FY2017.

(b) Labour costs

Labour costs increased by S\$0.2 million from S\$0.9 million in Q1 FY2016 to S\$1.1 million in Q1 FY2017. The increase was due mainly to the inclusion of the results of Xenon in this quarter.

(c) Staff costs

Staff costs increased by S\$0.3 million from S\$2.4 million in Q1 FY2016 to S\$2.7 million in Q1 FY2017. The increase was due mainly to the inclusion of the results of Xenon in this quarter.

(d) Finance costs

Finance costs increased by S\$0.1 million from S\$0.1 million in Q1 FY2016 to S\$0.2 million in Q1 FY2017. This was due mainly to the inclusion of Xenon's results in the current quarter.

(e) Depreciation of property, plant and equipment

Depreciation increased by S\$0.3 million to S\$0.8 million in Q1 2017 due mainly to the inclusion of Xenon's results in the current quarter. Xenon's depreciation for Q1 FY2017 amounted to about S\$0.3 million.

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(f) Other operating expenses

Other operating expenses increased by S\$0.6 million from S\$3.2 million in Q1 2016 to S\$3.8 million in Q1 2017. This was due mainly to the increased in activity level in Q1 FY2017 (including the inclusion of S\$0.5 million in respect of Xenon).

Loss from operations

Operating loss for Q1 FY2017 reduced by S\$0.7 million from S\$2.0 million for Q1 FY2016 to S\$1.3 million.

Share of results of associates

The Group's share of results of associates recorded a marginal loss of S\$3,000 in Q1 FY2017 (Q1 FY2016: S\$64,000 loss). The loss for Q1 FY2016 was attributable mainly to Xenon (which was until Q3 FY2016 an associated company of the Group).

Loss before income tax

The Group incurred a Pre-tax loss of S\$1.3 million for Q1 FY2017 (Q1 FY2016: Pre-tax loss of S\$2.1 million).

Loss for the period

The Group recorded an After-tax loss of S\$1.4 million for Q1 2017 (Q1 FY2016: S\$2.2 million).

Statement of Financial Position

- (a) Property, plant and equipment decreased by S\$0.8 million from S\$11.5 million at 31 December 2016 to S\$10.7 million at 31 March 2017. The decrease was due mainly to the S\$0.8 million depreciation charged in the current quarter, a S\$0.2 million reduction due to fluctuation of foreign exchange, set-off by a S\$0.2 million purchases of new equipment.
- (b) Long-term receivables relate to a foreign customer's orders in relation to the Group's tooling business which shall fall due for payment in FY2018. The decrease to S\$3.3 million as at 31 March 2017 from S\$7.4 million as at 31 December 2016 was due to the reclassification from non-current assets to current assets of \$4.1 million of the receivable falling due in January 2018.
- (c) Inventories increased by S\$1.9 million from S\$9.7 million as at 31 December 2016 to S\$11.6 million as at 31 March 2017. The increase related mainly to the Group's tooling and injection moulding businesses as a result of the increased activity level during the period.
- (d) Trade and other receivables increased by S\$1.7 million from S\$32.9 million at 31 December 2016 to S\$34.6 million at 31 March 2017. The increase was due mainly to the reclassification of the Long-term receivable of S\$4.1 million from non-current assets to current assets referred to in Para (b) above, offset by a reduction in Trade receivables as a result of the lower activity level in Q1 FY2017 relative to Q4 FY2016.
- (e) Cash and bank balances increased marginally by S\$0.3 million from S\$6.8 million at 31 December 2016 to S\$7.1 million at 31 March 2017. Bank borrowings (current and non-current) increased by S\$1.8 million from S\$ 8.0 million at 31 December 2016 to S\$9.8 million at 31 March 2017. Bank borrowings include bank overdrafts at 31 March 2017 of S\$2.0 million (31 December 2016 : S\$1.5 million). The increase in bank borrowings was mainly due to the increase in working capital requirements of the Group during the period.
- (f) Finance lease payables (current and non-current) decreased marginally by S\$0.1 million from S\$0.8 million at 31 December 2016 to S\$0.7 million at 31 March 2017.
- (g) Trade and other payables decreased by S\$1.0 million (3.7%) from S\$27.3 million at 31 December 2016 to S\$26.3 million at 31 March 2017.

Cashflow and Working Capital

- (a) The Group's net working capital as at 31 March 2017 amounted to S\$16.4 million (31 December 2016: S\$13.3 million). The increase in net working capital was mainly attributable to the higher trade and other receivables due to the reclassification of the Long-term receivables.
- (b) Net cash used in operating activities in Q1 FY2017 amounted to S\$0.8 million (Q1 FY2016: S\$0.5 million net cash generated). The net cash used in Q1 FY2017 (compared to the net cash generated in Q1 FY2016) was due to the increase in net working capital changes and the operating loss during the current quarter.
- (c) The Group used S\$0.2 million in its investing activities during Q1 FY2017 (Q1 FY2016: S\$0.03 million). The usage related to S\$0.2 million for the purchase of property, plant and equipment.

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- (d) Net cash generated from financing activities in Q1 FY2017 amounted to S\$1.1 million compared to S\$2.1 million net cash used in Q1 FY2016. The higher net cash generated in Q1 FY2017 arose mainly from the increase in bank borrowings (net of repayments) whilst the net cash used in financing activities in Q1 FY2016 was mainly due to larger collections of trade receivables during that period.
- (e) Consequently, cash and cash equivalents (net of bank overdraft) increased marginally by S\$0.3 million from S\$6.8 million as at 31 December 2016 to S\$7.1 million at 31 March 2017.

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

There were no forecast or prospect statement 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.

The near term outlook is expected to remain challenging, particularly in view of the prevailing global economic uncertainties. We anticipate having to deal with continuing price pressures from customers, the intensifying competitive landscape as well as rising costs in China where our tooling and injection molding operations are based. We will continue to look to rationalise our manufacturing operations to maintain our competitiveness.

We remain optimistic on growth opportunities for our metal packaging and custom printing operations in Vietnam, one of the region's faster growing economies for the near term.

The Group continues to actively explore other business opportunities which may contribute to its earning base and add shareholder value.

From the operational standpoint, Q1 is one of the weaker quarters for the Group due to the adverse impact of the Chinese New Year and Tet holidays on our manufacturing operations based in the Peoples Republic of China and Vietnam. We therefore expect, barring unforeseen circumstances, for the results of subsequent quarters to be significantly better than Q1 FY2017.

Dividend

11. (a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.
Name of Dividend
Dividend Type
Dividend Amount per Share (in cents)
Par value of shares
Tax Rate

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.
Name of Dividend
Dividend Type
Dividend Amount per Share (in cents)
Par value of shares
Tax Rate

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 31 March 2017.

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

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The aggregate value of all Interested Person Transactions entered into for the financial period ended 31 March 2017 pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited (excluding transactions less than S\$100,000) : NIL.

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14. Use of Proceeds from Exercise of Warrants and Issuance of New Shares

Not applicable.

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 confirmed that all its directors and executive officers have executed the Appendix 7.7 Form under Rule 720 (1).

16. Negative confirmation pursuant to Rule 705(5).

We, Quek Sim Pin and Low Seow Chye, being directors of the Company, do hereby confirm on behalf of the board of directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the 3 months financial period ended 31 March 2017 to be false or misleading.

On Behalf of the Board of Directors

Quek Sim Pin
Executive Chairman

Low Seow Chye
Independent Director

By Order of the Board

Quek Sim Pin
Executive Chairman
15 May 2017