

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 2016

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/ (decr)
	2016	2015	
a Revenue	42,318	43,469	(2.6)
b Investment income	-	-	-
c Other income including interest income :-	432	413	4.6
(i) Gain on sale of plant & equipment included in other income	-	-	-
(ii) Interest income	45	50	(10.0)
(iii) Other income	387	363	6.6
d Changes in inventories of FG & WIP	229	(126)	(281.7)
(i) Allowance for inventories	(50)	(6)	733.3
e Raw materials and consumables used :-	(12,267)	(14,940)	(17.9)
(i) (Allowance for) write-back of inventories	(73)	4	(1,925.0)
f Staff costs	(10,482)	(9,659)	8.5
g Depreciation, amortisation and impairment expenses	(2,295)	(2,111)	8.7
h Interest on borrowings	(190)	(191)	(0.5)
i Other operating expenses :-	(13,393)	(12,537)	6.8
(i) Foreign exchange gain (loss)	294	(200)	(247.0)
(ii) Allowance for doubtful debts	-	-	-
(ii) Bad debts written off	-	-	-
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	4,352	4,318	0.8

Income statement (continued)

l	Loss from associated companies	-	-	-
m	(Loss) profit from joint venture	89	(1)	(9,000.0)
n	Operating profit before income tax	4,441	4,317	2.9
o	Less income tax :-	(1,199)	(946)	26.7
	(i) Adjustment for over (under) provision of tax in respect of prior periods.	(49)	(5)	880.0
p	Profit for the period	3,242	3,371	(3.8)
	Attributable to :-			
q	Owners of the company	3,018	3,190	(5.4)
r	Non-controlling interests	224	181	23.8

Group		
S\$'000		%
3 months ended 31 Mar		incr/ (decr)
2016	2015	
-	-	-
89	(1)	(9,000.0)
4,441	4,317	2.9
(1,199)	(946)	26.7
(49)	(5)	880.0
3,242	3,371	(3.8)
3,018	3,190	(5.4)
224	181	23.8

Statement of Comprehensive Income

Profit for the period	3,242	3,371	(3.8)
Other comprehensive income :-			
Items that will not be reclassified subsequently to profit or loss :-			
(i) Remeasurement of defined benefit obligation	-	-	-
Items that may be reclassified subsequently to profit or loss :-			
(i) Foreign currency translation	(1,959)	1,796	(209.1)
Other comprehensive income for the period	(1,959)	1,796	(209.1)
Total comprehensive income for the period	1,283	5,167	(75.2)
The comprehensive income attributable to :-			
Owners of the Company	1,249	4,911	(74.6)
Non-controlling Interests	34	256	(86.7)

Group		
S\$'000		%
3 months ended 31 Mar		incr/ (decr)
2016	2015	
3,242	3,371	(3.8)
-	-	-
(1,959)	1,796	(209.1)
(1,959)	1,796	(209.1)
1,283	5,167	(75.2)
1,249	4,911	(74.6)
34	256	(86.7)

1(b)(i) 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-16 \$'000	Previous 31-Dec-15 \$'000	Actual 31-Mar-16 \$'000	Previous 31-Dec-15 \$'000
ASSETS				
Current assets:				
Cash and cash equivalents	29,856	26,832	744	638
Trade and other receivables	38,245	44,054	16,968	17,414
Inventories	15,441	16,898	-	-
Total current assets	83,542	87,784	17,712	18,052
Non-current assets:				
Other assets	431	343	-	-
Joint venture	3,781	3,924	4,216	4,216
Subsidiaries	-	-	19,797	19,797
Property, plant and equipment	79,867	81,653	41,978	42,565
Investment properties	4,228	4,183	2,181	2,218
Land use rights	7,211	7,297	6,753	6,820
Intangible assets	59	62	59	62
Goodwill	6,691	6,691	-	-
Deferred tax assets	265	269	-	-
Total non-current assets	102,533	104,422	74,984	75,678
Total assets	186,075	192,206	92,696	93,730
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	22,058	28,002	10,491	10,245
Bank loans	5,000	5,115	5,000	5,000
Finance leases	1,024	956	25	-
Income tax payable	1,912	1,265	128	87
Total current liabilities	29,994	35,338	15,644	15,332
Non-current liabilities:				
Bank loans	11,250	12,500	11,250	12,500
Finance leases	1,166	1,354	-	-
Deferred tax liabilities	2,150	2,157	596	596
Post employment benefits	251	263	-	-
Total non-current liabilities	14,817	16,274	11,846	13,096
Capital, reserves and non-controlling interests:				
Share capital	23,852	23,852	23,852	23,852
Statutory surplus reserve	2,102	2,060	-	-
Retained earnings	113,383	111,020	41,354	41,450
Currency translation reserve	(698)	1,071	-	-
Equity attributable to owners of the company	138,639	138,003	65,206	65,302
Non-controlling interests	2,625	2,591	-	-
Total equity	141,264	140,594	65,206	65,302
Total liabilities and equity	186,075	192,206	92,696	93,730

1(b)(ii) Aggregate amount of group's borrowings and debt securities

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

As at 31/3/16		As at 31/12/15	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
1,024	5,000	956	5,115

(b) Amount repayable after one year

As at 31/3/16		As at 31/12/15	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
1,166	11,250	1,354	12,500

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	
	2016	2015
	S\$'000	S\$'000
Cash flow from operating activities:		
Profit before tax	4,441	4,317
Adjustments for :		
Allowance for inventories	123	2
Depreciation and amortisation expense	2,295	2,111
Loss on disposal of property, plant and equipment	-	21
Share of (profit) loss from joint venture	(89)	1
Post employment benefits	(12)	7
Interest income	(45)	(50)
Finance costs	190	191
Operating cash flows before movements in working capital	6,903	6,600
Trade and other receivables and other assets	5,721	1,499
Inventories	1,334	(1,306)
Trade and other payables	(5,944)	(2,222)
Cash generated from operations	8,014	4,571
Interest paid	(190)	(191)
Income tax paid	(555)	(415)
Net cash from operating activities	7,269	3,965
Cash flow from investing activities:		
Interest received	45	50
Proceeds from disposal of property, plant and equipment	7	26
Purchase of property, plant and equipment	(569)	(1,806)
Net cash used in investing activities	(517)	(1,730)
Cash flows from financing activities:		
Dividends paid	(613)	-
Repayment of bank loans	(1,365)	(3,511)
Repayment of obligations under finance leases	(244)	(273)
Net cash used in financing activities	(2,222)	(3,784)
Net increase (decrease) in cash and cash equivalents	4,530	(1,549)
Cash and cash equivalents at beginning of period	26,832	22,156
Effect of foreign exchange rate changes	(1,506)	1,373
Cash and cash equivalents at end of period	29,856	21,980

1(d)(i) A statement of changes in equity (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 2015	23,852	1,753	102,498	604	128,707	1,724	130,431
Total Comprehensive Income for the period							
Profit for the period, net of tax	-	-	3,190	-	3,190	181	3,371
Other comprehensive income for the period, net of tax	-	-	-	1,721	1,721	75	1,796
Total	-	-	3,190	1,721	4,911	256	5,167
Balance at 31 Mar 2015	23,852	1,753	105,688	2,325	133,618	1,980	135,598

Balance at 1 Jan 2016	23,852	2,060	111,020	1,071	138,003	2,591	140,594
Total Comprehensive Income for the period							
Profit for the period, net of tax	-	-	3,018	-	3,018	224	3,242
Other comprehensive income for the period, net of tax	-	-	-	(1,769)	(1,769)	(190)	(1,959)
Total	-	-	3,018	(1,769)	1,249	34	1,283
Transactions with owners, recognised directly in equity							
Appropriation	-	42	(42)	-	-	-	-
Dividends paid	-	-	(613)	-	(613)	-	(613)
Total	-	42	(655)	-	(613)	-	(613)
Balance at 31 Mar 2016	23,852	2,102	113,383	(698)	138,639	2,625	141,264

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 2015	23,852	-	37,010	-	60,862	-	60,862
Profit for the period, net of tax, representing total comprehensive income for the period	-	-	215	-	215	-	215
Balance at 31 Mar 2015	23,852	-	37,225	-	61,077	-	61,077
Balance at 1 Jan 2016	23,852	-	41,450	-	65,302	-	65,302
Loss for the period, net of tax, representing total comprehensive income for the period	-	-	(96)	-	(96)	-	(96)
Balance at 31 Mar 2016	23,852	-	41,354	-	65,206	-	65,206

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

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	
	31/3/2016	31/12/2015
Balance as at 1 January	233,550,248	233,550,248
Issue of shares	-	-
Balance as at	<u>233,550,248</u>	<u>233,550,248</u>

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 on.

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

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

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 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 2015.

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

During the current financial year, the group has adopted all the new and revised standards that are relevant to its operations and effective for annual periods beginning on or after January 1, 2016. The adoption of these new/revised standards does not result in significant changes to the group's and company's accounting policies and has no material effect on the amounts reported for the current or prior years.

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

	31/3/2016	31/3/2015
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)	1.29	1.37
ii) On a fully diluted basis (cents)	1.29	1.37

Note

- The earnings per ordinary share ("EPS") for the period ended March 31, 2016 has been calculated on weighted average number of ordinary shares in issue of 233,550,248 (2015 : 233,550,248) ordinary shares
- Fully diluted EPS for the period ended March 31, 2016 is calculated on 233,550,248 (2015 : Diluted EPS is calculated at 233,550,248) ordinary shares assuming all the fully exercise of employee shares option during the year and adjusting for the number of ordinary shares in issue to reflect the effect of all potentially dilutive ordinary shares.

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 period reported on and (b) immediately preceding financial year

	GROUP		COMPANY	
	Mar'16	Dec'15	Mar'16	Dec'15
Net asset value per ordinary share based on issued share capital at the end of the period	59.36 cts	59.09 cts	27.92 cts	27.96 cts

Note: The net asset value per ordinary share for the period ended March 31, 2016 have been calculated based on the issued share capital of 233,550,248 shares (2015 : 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. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

1Q FY 2016 vs 1Q FY 2015

Income Statement

For the first quarter ended 31 March 2016, the Group achieved total revenue of \$42.3 million, 2.6% lower than the \$43.5 million achieved in the same period last year.

The Print-related business accounted for 57.5% of the Group's revenue and the Non-print business contributed the remaining 42.5%. In terms of geographical perspective, the Singapore operations continued to be the main contributor and it accounted for 60.5% of the Group's revenue. The China operations remained as the second largest contributor, accounting for 27.6% of the Group's revenue.

For the Print-related business, revenue decreased by 7.0% from \$26.2 million to \$24.3 million whilst revenue for the Non-print business increased by 3.8%, from \$17.1 million to \$17.8 million. The decrease in the Print segment revenue was mainly due to lower demand from some existing customers in Singapore. For the Non-Print business, the growth was mainly due to the increase in demand from existing customers in Singapore and China.

Despite a slight reduction in Group Revenue and increased operating expenses, the Group's operating profit before tax for the first quarter ended 31 March 2016 increased by 2.9% to \$4.4 million as compared to \$4.3 million for the same period in the previous year. The increase was mainly due to favorable foreign exchange gain, as well as higher profit contribution from the joint venture.

For the Print-related business, operating profit before tax (after allocation of corporate services expenses) increased by 37.9% from \$1.3 million to \$1.9 million. This is despite the reduction in revenue and increased cost of operation. The increase in operating profit was mainly due to the better sales mix which resulted in an increase in profit and a gain in foreign exchange of \$0.3 million due to the appreciation of Malaysian Ringgit and Rupiah against Singapore Dollar.

For the Non-print business, operating profit before tax (after allocation of corporate services expenses) however decreased by 13.0% from \$3.0 million to \$2.6 million when compared to the corresponding period last year. The decrease in operating profit was mainly due to the increase in cost of operations, as well as decreased sales activities for some projects.

The Group's other income for the first quarter ended 31 March 2016 remained unchanged at \$0.4 million.

The Group's depreciation, amortisation and impairment expenses increased 8.7% from \$2.1 million to \$2.3 million as a result of the Group's increased investments in property, plant and equipment in Singapore, China and Malaysia.

Statement of Financial Position

Total assets decreased 3.2% from \$192.2 million as at 31 December 2015 to \$186.1 million as at 31 March 2016.

Current assets decreased 4.8% from \$87.8 million as at 31 December 2015 to \$83.5 million as at 31 March 2016. The decrease was mainly due to the decrease in trade and other receivables and lower inventories level. The decrease was partially offset by an increase in cash and cash equivalents.

Cash and cash equivalents increased 11.3% to \$29.9 million as of 31 March 2016 as compared to \$26.8 million as at 31 December 2015. This was mainly due to improvement in collections, lesser inventory holding and lesser capital expenditure outlay for the period.

Trade and other receivables decreased by 13.2% from \$44.1 million in the previous year to \$38.2 million as at 31 March 2016, mainly due to subsequent collection in the current financial year. Inventories decreased 8.6% from \$16.9 million to \$15.4 million over the same corresponding period, in tandem with reduced demand.

Non-current assets decreased 1.8% from \$104.4 million as at 31 December 2015 to \$102.5 million as at 31 March 2016. This was primarily due to the decrease in property, plant and equipment, joint venture, and land use rights. The decrease is partially offset by the increase in other assets and investment properties. Property, plant and equipment decreased \$1.8 million (or 2.2%) from \$81.7 million as at 31 December 2015 to \$79.9 million as at 31 March 2016. Land use rights also decreased from \$7.3 million to \$7.2 million over the same period. These were mainly due to depreciation and amortisation charges for the current financial period. The decrease in carrying value of Joint venture by \$0.1 million (or 3.6%) was due to the translation differences.

Total liabilities decreased 13.2% from \$51.6 million as at 31 December 2015 to \$44.8 million as at 31 March 2016. Current liabilities decreased 15.1% from \$35.3 million to \$30.0 million, and non-current liabilities decreased 9.0% from \$16.3 million to \$14.8 million. The decrease in liabilities was mainly due to the repayment of bank loans, finance leases and the payment of trade and other payables. These decreases were partially offset by an increase in income tax payable. Income tax payables had increase by \$0.6 million (or 51.1%) due to increase in profitability for the period.

Statement of Cash Flows

For the first quarter ended 31 March 2016, the Group generated positive cash flow of \$8.0 million from operations after working capital changes. It was \$4.6 million for the same period the previous year. This increase was mainly attributed to more timely collection, lesser inventory holding, despite paying down trade payables.

During this period, the Group continued to invest \$0.6 million in Fixed Assets. These include motor vehicle, office equipment in Singapore, and additional plant & equipment for subsidiaries in China.

The Group's net cash flow from financing activities registered a lower negative cash flow of \$2.2 million compared to a negative cash flow of \$3.8 million for the same period in the previous year. This was mainly due to the lower repayment of bank loans and finance leases.

The Group's gearing ratio has correspondingly decreased from 14.4% as at 31 December 2015 to 13.3% as at 31 March 2016.

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 full year FY 2015.

10. A commentary at the date of the announcement of the 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 satisfactory performance for this quarter was mainly due to a combination of better sales mix, increased activities from some customers, improved material management and favourable exchange gains.

The local and global economic outlook remains uncertain. Management would continue to take steps to stay competitive and to seek new upstream activities to widen revenue sources, in addition to continue managing its cost structure.

Barring any unforeseen circumstances, the Directors expect the Group to remain profitable for the current year.

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/recommended, 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. Confirmation Pursuant to Rule 705(5) of the Listing Manual

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, 2016, 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 12, 2016
Singapore