

CPH LTD.

**Unaudited Full Year Financial Statement and Dividend Announcement for the Financial Year
Ended 31 March 2016**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Ms. Jennifer Tan, Senior Manager, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.

**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 | | |
|---|-------------------------------------|-------------------------|-------------------------|
| | For the financial year ended | | |
| | S\$'000 | | % |
| | 31/03/2016 (Unaudited) | 31/03/2015 (Audited) | Increase/ (Decrease) |
| Continuing operations | | | |
| Revenue | 6,320 | 6,989 | (9.6) |
| Cost of sales | (5,769) | (6,545) | (11.9) |
| Gross profit | 551 | 444 | 24.1 |
| Share of results of associate, net of tax | (1) | (5) | (80.0) |
| Change in fair value of investment property | - | 500 | (100.0) |
| Interest income | 21 | 9 | 133.3 |
| Other income | 627 | 665 | (5.7) |
| Selling and distribution expenses | (74) | (97) | (23.7) |
| Administrative and other operating expenses | (2,015) | (2,001) | 0.7 |
| Finance costs | (21) | (32) | (34.4) |
| Loss from continuing operations, before income tax | (912) | (517) | 76.4 |
| Income tax | 67 | 82 | (18.3) |
| Loss from continuing operations, net of tax | (845) | (435) | 94.3 |
| Discontinued operations | | | |
| Loss from discontinued operations, net of tax | - | - | NM |
| Loss for the financial year | (845) | (435) | 94.3 |
| Other comprehensive income: | | | |
| <i>Items that will or may be reclassified subsequently to profit or loss:</i> | | | |
| Continuing operations | | | |
| Exchange differences on translating foreign operations | (27) | (18) | 50.0 |
| Discontinued operations | | | |
| Income tax relating to items that will or may be reclassified | - | - | NM |
| Other comprehensive income for the financial year, net of tax | (27) | (18) | 50.0 |
| Total comprehensive income for the financial year | (872) | (453) | 92.5 |
| Loss attributable to: | | | |
| Owners of the parent | | | |
| - Continuing operations | (845) | (435) | 94.3 |
| - Discontinued operations | - | (1,253) | (100.0) |
| | (845) | (1,688) | (49.9) |
| Non-controlling interests | | | |
| - Continuing operations | - | - | NM |
| - Discontinued operations | - | 1,253 | (100.0) |
| | - | 1,253 | (100.0) |
| | (845) | (435) | 94.3 |
| Total comprehensive income attributable to: | | | |
| Owners of the parent | | | |
| - Continuing operations | (872) | (453) | 92.5 |
| - Discontinued operations | - | (1,253) | (100.0) |
| | (872) | (1,706) | (48.9) |
| Non-controlling interests | | | |
| - Continuing operations | - | - | NM |
| - Discontinued operations | - | 1,253 | (100.0) |
| | - | 1,253 | (100.0) |
| | (872) | (453) | 92.5 |

NM = Not Meaningful

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

| | Group | | |
|---|-------------------------------------|-------------------------|-------------------------|
| | For the financial year ended | | |
| | S\$'000 | | % |
| | 31/03/2016 (Unaudited) | 31/03/2015 (Audited) | Increase/ (Decrease) |
| Loss after income tax is arrived at: | | | |
| After charging: | | | |
| Continuing operations | | | |
| Depreciation of property, plant and equipment | 409 | 559 | (26.8) |
| Foreign exchange loss, net | 315 | 230 | 37.0 |
| Interest expense | 21 | 32 | (34.4) |
| Plant and equipment written off | - | 3 | (100.0) |
| and crediting: | | | |
| Continuing operations | | | |
| Interest income | 21 | 9 | 133.3 |
| Rental Income | 550 | 594 | (7.4) |
| | | | |

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

| | Group | Group | Company | Company |
|--|----------------|----------------|----------------|----------------|
| | As at 31/03/16 | As at 31/03/15 | As at 31/03/16 | As at 31/03/15 |
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Non-current assets | | | | |
| Subsidiaries | - | - | 12,731 | 12,731 |
| Associate | 648 | 649 | - | - |
| Property, plant and equipment | 1,617 | 2,168 | - | - |
| Investment property | 8,500 | 8,500 | - | - |
| Available-for-sale financial asset | 98 | 98 | 98 | 98 |
| | <u>10,863</u> | <u>11,415</u> | <u>12,829</u> | <u>12,829</u> |
| Current assets | | | | |
| Inventories | 1,649 | 1,760 | - | - |
| Trade and other receivables | 1,284 | 1,113 | 3,861 | 4,030 |
| Prepayments | 42 | 52 | 10 | 9 |
| Fixed deposits with banks | 3,120 | 2,906 | 200 | - |
| Cash and bank balances | 480 | 1,181 | 93 | 632 |
| | <u>6,575</u> | <u>7,012</u> | <u>4,164</u> | <u>4,671</u> |
| Less: | | | | |
| Current liabilities | | | | |
| Trade and other payables | 1,005 | 852 | 128 | 145 |
| Finance lease payables | 23 | 23 | - | - |
| Bank borrowings | 471 | 640 | - | - |
| | <u>1,499</u> | <u>1,515</u> | <u>128</u> | <u>145</u> |
| Net current assets | <u>5,076</u> | <u>5,497</u> | <u>4,036</u> | <u>4,526</u> |
| Non-current liabilities | | | | |
| Finance lease payables | (45) | (74) | - | - |
| Deferred tax liabilities | (11) | (83) | - | - |
| | <u>(56)</u> | <u>(157)</u> | <u>-</u> | <u>-</u> |
| | <u>15,883</u> | <u>16,755</u> | <u>16,865</u> | <u>17,355</u> |
| Capital and reserves | | | | |
| Share capital | 24,764 | 24,764 | 24,764 | 24,764 |
| Foreign currency translation account | (303) | (276) | - | - |
| Share-based payment reserve | 10 | 10 | 10 | 10 |
| Accumulated losses | (8,588) | (7,743) | (7,909) | (7,419) |
| Equity attributable to owners of the parent | <u>15,883</u> | <u>16,755</u> | <u>16,865</u> | <u>17,355</u> |
| Non-controlling interests | - | - | - | - |
| Total equity | <u>15,883</u> | <u>16,755</u> | <u>16,865</u> | <u>17,355</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 31/03/2016 | | As at 31/03/2015 | |
|------------------|-----------|------------------|-----------|
| S\$'000 | | S\$'000 | |
| Secured | Unsecured | Secured | Unsecured |
| 23 | 471 | 23 | 640 |

Amount repayable after one year

| As at 31/03/2016 | | As at 31/03/2015 | |
|------------------|-----------|------------------|-----------|
| S\$'000 | | S\$'000 | |
| Secured | Unsecured | Secured | Unsecured |
| 45 | - | 74 | - |

Details of any collateral

The finance lease of the Group is secured by PCB Tester under finance lease. PCB Tester was purchased by a wholly-owned subsidiary of the Company, Circuits Plus (M) Sdn. Bhd.

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 | |
|---|---------------------|---------------------|
| | 31/03/2016 | 31/03/2015 |
| | (Unaudited) | (Audited) |
| | S\$'000 | S\$'000 |
| Operating activities | | |
| Loss before income tax from continuing operations | (912) | (517) |
| Loss before income tax from discontinued operations | - | - |
| Loss before income tax, total | <u>(912)</u> | <u>(517)</u> |
| Adjustments for: | | |
| Change in fair value of investment property | - | (500) |
| Depreciation of property, plant and equipment | 409 | 559 |
| Interest expense | 21 | 32 |
| Interest income | (21) | (9) |
| Plant and equipment written off | - | 3 |
| Share of results of associate, net of tax | 1 | 5 |
| Unrealised currency translation losses | <u>312</u> | <u>198</u> |
| Operating cash flows before working capital changes | (190) | (229) |
| Working capital changes: | | |
| Inventories | (17) | 103 |
| Trade and other receivables | (217) | 515 |
| Prepayment | 7 | (1) |
| Trade and other payables | <u>156</u> | <u>(468)</u> |
| Net cash used in operating activities | <u>(261)</u> | <u>(80)</u> |
| Investing activities | | |
| Purchase of plant and equipment | (11) | (21) |
| Interest received | <u>21</u> | <u>9</u> |
| Net cash from/ (used in) investing activities | <u>10</u> | <u>(12)</u> |
| Financing activities | | |
| Proceeds from trust receipts | 1,571 | 2,517 |
| Repayment of trust receipts | (1,740) | (2,635) |
| Repayment of finance lease payable | (21) | (22) |
| Interest paid | <u>(21)</u> | <u>(32)</u> |
| Net cash used in financing activities | <u>(211)</u> | <u>(172)</u> |
| Net change in cash and cash equivalents | (462) | (264) |
| Cash and cash equivalents at beginning of financial year | 4,087 | 4,363 |
| Exchange difference on cash and cash equivalents | <u>(25)</u> | <u>(12)</u> |
| Cash and cash equivalents at end of financial year (See Note A) | <u><u>3,600</u></u> | <u><u>4,087</u></u> |

Note A

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

| | 31/03/2016 | 31/03/2015 |
|---------------------------|---------------------|---------------------|
| | S\$'000 | S\$'000 |
| Fixed deposits with banks | 3,120 | 2,906 |
| Cash and bank balances | <u>480</u> | <u>1,181</u> |
| | <u><u>3,600</u></u> | <u><u>4,087</u></u> |

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than arising capitalization 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 | Equity attributable to owners of the parent S\$'000 | Non- controlling interests S\$'000 | Total equity S\$'000 |
|---|--------------------------|--|--|----------------------------------|---|---|-------------------------|
| Balance as at 1 April 2014 | 24,764 | (258) | 10 | (6,055) | 18,461 | (1,253) | 17,208 |
| Loss for the financial year | - | - | - | (1,688) | (1,688) | 1,253 | (435) |
| Other comprehensive income: | | | | | | | |
| Exchange differences on translating foreign operation | - | (18) | - | - | (18) | - | (18) |
| Total comprehensive income for the financial year | - | (18) | - | (1,688) | (1,706) | 1,253 | (453) |
| Balance as at 31 March 2015 | 24,764 | (276) | 10 | (7,743) | 16,755 | - | 16,755 |
| Balance as at 1 April 2015 | 24,764 | (276) | 10 | (7,743) | 16,755 | - | 16,755 |
| Loss for the financial year | - | - | - | (845) | (845) | - | (845) |
| Other comprehensive income: | | | | | | | |
| Exchange differences on translating foreign operation | - | (27) | - | - | (27) | - | (27) |
| Total comprehensive income for the financial year | - | (27) | - | (845) | (872) | - | (872) |
| Balance as at 31 March 2016 | 24,764 | (303) | 10 | (8,588) | 15,883 | - | 15,883 |

| The Company | Share capital S\$'000 | Share-based payment reserve S\$'000 | Accumulated losses S\$'000 | Total S\$'000 |
|---|--------------------------|--|-------------------------------|------------------|
| Balance as at 1 April 2014 | 24,764 | 10 | (7,223) | 17,551 |
| Loss for the financial year, representing total comprehensive income for the financial year | - | - | (196) | (196) |
| Balance as at 31 March 2015 | 24,764 | 10 | (7,419) | 17,355 |
| Balance as at 1 April 2015 | 24,764 | 10 | (7,419) | 17,355 |
| Loss for the financial year, representing total comprehensive income for the financial year | - | - | (490) | (490) |
| Balance as at 31 March 2016 | 24,764 | 10 | (7,909) | 16,865 |
| | | | | |

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares (excluding treasury shares 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.**

The share capital of the Company was S\$24,764,175 divided into 1,229,226,124 ordinary shares as at 30 September 2015 and 31 March 2016. There was no change in the Company's share capital from 30 September 2015 up to 31 March 2016.

The Company did not have any outstanding convertible securities or treasury shares as at 31 March 2016 and 31 March 2015.

- 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 31 March 2016 and 31 March 2015 was 1,229,226,124 ordinary shares.

The Company did not have treasury shares as at 31 March 2016 and 31 March 2015.

- 1(d)(iv) A statement showing all sales, transfers, disposals, 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 year 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 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 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 year reported on as compared with those in the Company's audited financial statements for the financial year ended 31 March 2015 ("FY2015").

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 adopted the new or revised Singapore Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are relevant to its operations and are effective for the annual periods beginning or after 1 April 2015. The adoption of these new or revised FRS and INT FRS where relevant has no material financial impact on the Group’s accounting policies or the financial statements for the current financial year reported on.

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.**

| Loss per ordinary share of the Group based on loss attributable to owners of the Company | Group | |
|--|------------|------------|
| | 31/03/2016 | 31/03/2015 |
| (Loss) from continuing operations attributable to owners of the parent (SGD' 000) | (845) | (435) |
| (Loss) from discontinued operations attributable to owners of the parent (SGD' 000) | - | (1,253) |
| <u>Continuing operations</u> | | |
| (a) Based on the number of ordinary shares in issue (SGD cents) | (0.07) | (0.04) |
| (b) On a fully diluted basis (SGD cents) | (0.07) | (0.04) |
| <u>Discontinued operations</u> | | |
| (c) Based on the number of ordinary shares in issue (SGD cents) | - | (0.10) |
| (d) On a fully diluted basis (SGD cents) | - | (0.10) |

Loss per ordinary share for the financial year ended 31 March 2016 (“FY2016”) and FY2015 in Item 6(a) and 6(c) 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 FY2016 and FY2015.

Loss per ordinary share on a fully diluted basis for FY2016 and FY2015 in Item 6(b) and 6(d) are the same as the basic loss per ordinary share because the Company did not have any potential dilutive ordinary shares during and as at the end of the respective financial years.

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 31/03/2016 | As at 31/03/2015 | As at 31/03/2016 | As at 31/03/2015 |
| Net asset value per ordinary share based on issued share capital | 1.29 cents | 1.36 cents | 1.37 cents | 1.41 cents |

Net asset value per share of the Group and Company were computed based on the net assets of the Group and the Company respectively, divided by the issued ordinary share capital of 1,229,226,124 shares as at 31 March 2016 and 31 March 2015.

- 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.**

Review of the Financial Performance of the Group (FY2016 vs. FY2015)

Revenue

The Group recorded a decrease in revenue of 9.6% for FY2016 which amounted to S\$6.32 million as compared to S\$6.99 million for FY2015. The currencies exchange translation was the main contributor to the decline as the majority of the revenue was billed in Malaysia currency while the business activities and demand from the Group's customers remained flat.

Loss before Income Tax

The Group's gross profit for FY2016 was S\$0.55 million as compared to S\$0.44 million for FY2015. The Group's gross profit margin increased from 6.4% in FY2015 to 8.7% in FY2016 as a result of better product mix with higher production yields which resulted in a lower cost of sales.

Other income and interest income in FY2016 was S\$0.65 million, a slight decrease from S\$0.67 million recorded in FY2015. The reduction was mainly contributed by the rental income which decreased from S\$0.59 million in FY2015 to S\$0.55 in FY2016 as the rental rates were lower for the new leases. Interest income increased from S\$0.01 million in FY2015 to S\$0.02 million in FY2016 mainly due to higher deposit interest rate offered by the banks in FY2016.

Selling and distribution expenses decreased by about S\$0.03 million from S\$0.10 million in FY2015 to S\$0.07 million in FY2016 due to lower freight charges and sales commission paid in FY2016.

The Group's administrative and other operating expenses increased from S\$2.00 million in FY2015 to S\$2.02 million mainly due to the increase of exchange loss from S\$0.23 million in FY2015 to S\$0.32 million in FY2016 as a result of weaker Malaysia currency while staff cost and other administrative expenses reduced by approximately S\$0.07 million for FY2016 as compared to FY2015.

The Group's depreciation charges was reduced from S\$0.56 million in FY2015 to S\$0.41 million as some of the existing plant and equipment have been fully depreciated and there was no significant additions during FY2016.

The Group's finance cost slightly reduced from S\$0.03 million in FY2015 to S\$0.02 million in FY2016 as the Group utilised lower banking facilities.

The Group recorded a small loss of S\$0.001 million in its share of results of associate for FY2016 as compared to a loss of S\$0.01 million in FY2015.

As a result of the above, the Group recorded a loss before income tax of S\$0.91 million in FY2016 as compared to S\$0.52 million in FY2015.

There was no change in the fair value of the investment property based on the valuation done by an independent professional valuation firm between FY2015 and FY2016.

Statements of financial position

The Group's property, plant and equipment decreased from S\$2.17 million as at the end of FY2015 to S\$1.62 million as at the end of FY2016 mainly due to depreciation charges of S\$0.41 million, a translation exchange difference of S\$0.15 million from the Malaysia's property, plant and equipment with a small addition of office equipment amounting to S\$0.01 million.

Inventories reduced from S\$1.76 million as at the end of FY2015 to S\$1.65 million as at the end of FY2016 mainly due to weaker exchange rate of Malaysia currency against the Singapore dollar.

Trade and other receivables increased slightly from S\$1.11 million as at the end of FY2015 to S\$1.28 million as at the end of FY2016 as the sales for the last few months of FY2016 were higher than that of FY2015. Trade and other payables increased from S\$0.85 million as at the end of FY2015 to S\$1.01 million as at the end of FY2016 as the purchases were higher in the later few months of FY2016 in tandem with the increased sales for the last few months of FY2016.

The Group's working capital was S\$5.08 million as at the end of FY2016 as compared to S\$5.50 million as at the end of FY2015.

Bank borrowings which comprised mainly of trust receipts decreased from S\$0.64 million as at the end of FY2015 to S\$0.47 million as at the end of FY2016 due to the net repayment of S\$0.17 million during FY2016.

The deferred tax liabilities reduced to S\$0.01 million as at the end of FY2016 from S\$0.08 million as at the end of FY2015 as a result of a write back of S\$0.07 million for Malaysian operations.

Cash Flow and Working Capital

Cash and cash equivalents decreased from S\$4.09 million as at the end of FY2015 to S\$3.60 million as at the end of FY2016.

The Group has an operating cash outflow of S\$0.19 million before working capital changes for FY2016. Net cash used in operating activities in FY2016 amounted to S\$0.26 million. During FY2016, trade and other receivables increased by S\$0.22 million, inventories increased by S\$0.02 million while S\$0.16 million was recorded for the increase of trade and other payables.

Net cash generated from investing activities amounted to S\$0.01 million, which was mainly attributable to an amount of S\$0.01 million which was used for purchase of office equipment for the Group in FY2016, offset by interest received of S\$0.02 million.

Net cash used in financing activities was S\$0.21 million, mainly due to a net amount of S\$0.17 million was utilized for the repayment of trust receipts, and S\$0.04 million used for repayment of finance lease and interest expense in FY2016.

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 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.

The Group will continue to focus on improving efficiencies in its operations as well as managing its imported raw materials cost due to the weak Malaysia currency.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current period?

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

No dividend has been declared / recommended for FY2016.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Geographical information

| FY2016 | Asia (excluding Japan and China) | Europe | Japan | United States of America | China | Consolidated |
|---------------------------------------|---|---------------|--------------|---|--------------|---------------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Continuing operations | | | | | | |
| Total revenue from external customers | 1,552 | 3,735 | 1,026 | 7 | - | 6,320 |
| Non-current assets | 10,765 | - | - | - | - | 10,765 |

| FY2015 | Asia (excluding Japan & China) | Europe | Japan | United States of America | China | Consolidated |
|---------------------------------------|---|---------------|--------------|---|--------------|---------------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Continuing operations | | | | | | |
| Total revenue from external customers | 1,797 | 3,908 | 1,271 | 13 | - | 6,989 |
| Non-current assets | 11,317 | - | - | - | - | 11,317 |

Business Segments

| FY2016 | Printed circuit boards (Continuing Operations) S\$'000 | Food and beverage (Continuing Operations) S\$'000 | Unallocated S\$'000 | Total S\$'000 |
|---|--|---|------------------------|------------------|
| Revenue | | | | |
| External revenue | 6,320 | - | - | 6,320 |
| Results | | | | |
| Segment results | (341) | - | (570) | (911) |
| Interest income | 21 | - | - | 21 |
| Finance costs | (21) | - | - | (21) |
| Share of results of associate, net of tax | - | (1) | - | (1) |
| Loss before income tax | (341) | (1) | (570) | (912) |
| Income tax | 67 | - | - | 67 |
| Loss after income tax | (274) | (1) | (570) | (845) |
| Non-cash items | | | | |
| Depreciation of property, plant and equipment | (409) | - | - | (409) |
| Capital expenditure | | | | |
| Property, plant and equipment | 11 | - | - | 11 |
| Assets and Liabilities | | | | |
| Segment assets | 16,324 | - | 1,114 | 17,438 |
| Total assets | 16,324 | - | 1,114 | 17,438 |
| Segment liabilities | 1,406 | - | 138 | 1,544 |
| Deferred tax liabilities | 11 | - | - | 11 |
| Total liabilities | 1,417 | - | 138 | 1,555 |

| FY2015 | Printed circuit boards (Continuing Operations) S\$'000 | Food and beverage (Continuing Operations) S\$'000 | Unallocated S\$'000 | Total S\$'000 |
|---|--|---|------------------------|------------------|
| Revenue | | | | |
| External revenue | 6,989 | - | - | 6,989 |
| Results | | | | |
| Segment results | 73 | - | (561) | (488) |
| Interest income | 8 | - | 1 | 9 |
| Finance costs | (31) | - | (1) | (32) |
| Share of results of associate, net of tax | - | (5) | - | (5) |
| Loss before income tax | 50 | (5) | (561) | (516) |
| Income tax expense | 82 | - | - | 82 |
| Loss after income tax | 132 | (5) | (561) | (434) |
| Non-cash items | | | | |
| Depreciation of property, plant and equipment | (559) | - | - | (559) |
| Change in fair value of investment property | 500 | - | - | 500 |
| Plant and equipment written off | (3) | - | - | (3) |
| Capital expenditure | | | | |
| Property, plant and equipment | 21 | - | - | 21 |
| Assets and Liabilities | | | | |
| Segment assets | 16,962 | - | 1,465 | 18,427 |
| Total assets | 16,962 | - | 1,465 | 18,427 |
| Segment liabilities | 1,435 | - | 154 | 1,589 |
| Deferred tax liabilities | 83 | - | - | 83 |
| Total liabilities | 1,518 | - | 154 | 1,672 |

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Revenue of the Group's printed circuit boards ("PCB") segment from Asia (excluding Japan and China), Europe and Japan were all lower in FY2016 as compared to FY2015 due to lower sales which were affected by currency exchange translation as Malaysia currency was weaker in FY2016.

The Group's European customers contributed approximately 59% of the Group's revenue whereas Asia (excluding Japan and China) and Japan contributed 25% and 16% respectively.

15. A breakdown of sales as follows:-

| | Group | | |
|--|--|--|------------------------------|
| | S\$'000 Latest Financial Year | S\$'000 Previous Financial Year | % Increase/ (decrease) |
| <u>Continuing Operations</u> | | | |
| (a) Sales reported for first half year | 3,157 | 3,954 | (20.2) |
| (b) Operating loss after income tax deducting non-controlling interests reported for first half year | (1,013) | (198) | 411.6 |
| (c) Sales reported for second half year | 3,163 | 3,035 | 4.2 |
| (d) Operating profit/(loss) after income tax deducting non-controlling interests reported for second half year | 168 | (237) | NM |
| <u>Discontinued Operations</u> | | | |
| (a) Sales reported for first half year | - | - | - |
| (b) Operating profit after income tax deducting non-controlling interests reported for first half year | - | - | - |
| (c) Sales reported for second half year | - | - | - |
| (d) Operating profit after income tax deducting non-controlling interests reported for second half year | - | - | - |

NM = Not Meaningful

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-

Not applicable. No dividend has been declared / recommended for FY2016 and FY2015.

17. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT"), 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 general mandate for interested person transactions. There were no interested person transactions with value more than S\$100,000 during FY2016.

18. Update on Use of Proceeds

Update on use of Placement Proceeds

On 27 February 2008, the Company issued 64,000,000 shares by way of a private placement (the “2008 Placement”) and the net proceeds amounted to approximately S\$2.27 million. The Company has not, as yet, utilised the net proceeds from the 2008 Placement. The full amount has been placed as term deposits with a bank.

As part of the Company’s strategy to execute its investment and business expansion plan, the Company had on 18 December 2012 completed a share placement exercise (the “2012 Placement”) in which a total of 150,000,000 ordinary shares were issued and gross proceeds of approximately S\$1.49 million were raised. The following table shows an update on the use of proceeds from the 2012 Placement as at the date of this announcement:

| Intended Use | S\$ million | | |
|---|-------------------------------------|-----------------------------|-------------------------|
| | Approximate Amount Allocated | Amount Used To Date | Amount Remaining |
| 1. Support business expansion through acquisitions, joint ventures and collaborations in businesses other than the PCB business | 1.01 | - | 1.01 |
| 2. General working capital -purchase of raw materials in the PCB business | 0.43 | 0.43 | Nil |
| 3. Expenses incurred in connection with the Placement Shares -purchase of raw materials in the PCB business | 0.04 0.01 | 0.04 0.01 ⁽¹⁾ | Nil Nil |
| Total | 1.49 | 0.48 | 1.01 |

Note:

⁽¹⁾ Approximately S\$0.01 million was redeployed from the amount allocated for expenses incurred in connection with the Placement Shares for the purchase of raw materials in the PCB business.

- 19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are such persons, the issuer must make an appropriate negative statement.**

| Name | Age | Family relationship with any director and/or substantial shareholder | Current position and duties, and the year the position was first held | Details of changes in duties and position held, if any, during the year |
|--------------------------|-----|--|--|---|
| Tan Yeat Chia (“Mr Tan”) | 31 | Son of Mdm Choo Tung Kheng, the Managing Director and substantial shareholder of the Company | Mr Tan, Corporate Service Manager, is assisting the Executive Director on the business development and responsible for business support services of the Group. Mr Tan was appointed on 18 January 2012. | Nil |

- 20. 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
30 May 2016