

Half Year Financial Statement And Dividend Announcement for the period ended 30 September 2015
These figures have not been audited.

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENT OF HALF-YEAR RESULTS

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

Statement of Comprehensive Income

	GROUP		
	1HFY2016 (01.04.15 to 30.09.15) S\$'000	1HFY2015 (01.04.14 to 30.09.14) S\$'000	Increase/ (Decrease) %
Revenue	6,940	6,150	13
Cost of sales (Note 1)	(4,551)	(4,329)	5
Gross profit	2,389	1,821	31
Other items of income			
Property income (gross)	676	733	(8)
Property expenses (Note 2)	(362)	(349)	4
Profit from property	314	384	(18)
Dividend income	267	248	8
Interest income	121	128	(5)
Other gains (Note 3)	366	225	63
Other items of expenses			
Marketing and distribution expenses	(747)	(633)	18
Administration expenses (Note 4)	(1,265)	(1,197)	6
Other operating expenses (Note 5)	(1)	(5)	(80)
Other losses (Note 6)	(48)	-	N.M
Profit before tax from continuing operations	1,396	971	44
Income tax expense	(153)	(108)	42
Profits from continuing operations, net of tax	1,243	863	44
Other comprehensive income :			
Exchange differences on translating foreign operations	-	7	(100)
Fair value adjustment on available-for-sale financial assets	(271)	2,488	N.M
Other comprehensive (loss) / income for period, net of tax	(271)	2,495	N.M
Total comprehensive income	972	3,358	(71)
Profit attributable to parent, net of tax	1,243	863	44
Total comprehensive income attributable to parent	972	3,358	(71)
Note 1			
-Included in cost of sales :			
Write-back / (allowance) for slow moving inventories	51	(22)	N.M
Depreciation	(109)	(87)	25
Note 2			
Property Expenses :			
Building maintenance expenses	(215)	(191)	13
Depreciation of investment property	(97)	(97)	-
Utilities and others	(50)	(61)	(18)
	(362)	(349)	4

Note 3

-Included in other gains :

Foreign exchange gain, net	250	83	201
Fair value gain on other financial assets	-	101	N.M
Gain on redemption of available for sale financial asset	73	-	N.M
Government grant income from SME grant	2	2	-
Sundry income	41	39	5
	366	225	63

Note 4

-Included in administrative expenses :
Depreciation and amortisation of other plant,
equipment and intangible assets

	(67)	(59)	14
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Note 5

-Included in other operating expenses :

Project expenses	(1)	(5)	(80)
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Note 6

-Included in other losses :

Fair value loss on other financial assets	(48)	-	N.M
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N.M. denotes Not Meaningful

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

	Group		Company	
	30-Sep-15 S\$'000	31-Mar-15 S\$'000	30-Sep-15 S\$'000	31-Mar-15 S\$'000
ASSETS LESS LIABILITIES				
Non-Current Assets				
Plant and equipment	1,053	1,140	15	21
Investment property (Note 7)	19,666	19,605	19,666	19,605
Intangible assets (Note 8)	96	106	14	15
Investment in subsidiaries	-	-	5,398	5,398
Other financial assets - non current (Note 9)	6,634	7,935	6,634	7,935
Total Non-Current Assets	27,449	28,786	31,727	32,974
Current Assets				
Inventories (Note 10)	1,427	1,217	-	-
Trade and other receivables (Note 11)	1,287	1,621	142	1,636
Other financial assets - current (Note 12)	643	691	643	691
Other assets (Note 13)	208	236	137	139
Cash and bank balances	19,177	18,068	7,890	6,882
Total Current Assets	22,742	21,833	8,812	9,348
Total assets	50,191	50,619	40,539	42,322
Current Liabilities				
Income tax payable	368	431	30	39
Trade and other payables (Note 14)	2,299	1,928	187	192
Other liabilities (Note 15)	1,307	1,330	520	510
Total Current Liabilities	3,974	3,689	737	741
Net Current Assets	18,768	18,144	8,075	8,607
Net Assets	46,217	46,930	39,802	41,581
EQUITY				
Share capital	34,718	34,635	34,718	34,635
Retained earnings	8,059	8,584	863	2,453
Other reserves	3,440	3,711	4,222	4,493
Total Equity	46,217	46,930	39,803	41,581

Note 7 : Investment property comprises land and building situated at 7 & 9 Harrison Road. The increase in carrying value was attributable to costs incurred in carrying out the additions and alterations to the building.

Note 8 : Intangible assets comprise fees paid for certification of products. The fees were capitalised and amortised over

3 years on straight-line basis.

Note 9 : Other non-current financial assets comprise investment in marketable securities. The reduction in value was due to the redemption of retail bond by the issuer during the period coupled with lower market value as at 30.09.2015 as compared to 31.03.15.

Note 10 : The increase in inventories was due to higher raw materials purchased to meet production requirement.

Note 11 : Trade and other receivables reduced due partly to the tightening of credit control measures and partly to lower sales in the month of September 2015 as compared to March 2015.

Note 12 : Other financial assets - current comprise investment in quoted equity and retail bond. The decrease was attributed to lower market values as at 30.09.2015 as compared to 31.03.2015.

Note 13 : Other assets include deposits and prepayments. The reduction was due to lower prepayments .

Note 14 : The increase in trade and other payables was due to higher inventory purchases.

Note 15 : Other liabilities comprise deposits received from customers, provision for building reinstatement and provision for warranty. The reduction was due to lower warranty provision as at 30.09.15 as compared to 31.03.2015.

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 30.09.15 (S\$'000)		As at 31.03.15 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(b) Amount repayable after one year

As at 30.09.15 (S\$'000)		As at 31.03.15 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

Not applicable

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	
	30.09.15 S\$'000	30.09.14 S\$'000
Cash flows from operating activities:		
Profit before income tax	1,396	971
Depreciation of property, plant and equipment	148	119
Depreciation of investment property	97	97
Amortization of intangible assets	28	27
Fair value loss / (gain) on other financial assets	48	(101)
Dividend income	(267)	(248)
Gain on redemption of non-available for sale financial asset by the issuer	(73)	-
Interest income	(121)	(128)
Operating Cash flows before changes in working capital	1,256	737
Inventories	(210)	177
Trade and other receivables	334	(388)
Other assets	28	(10)
Trade and other payables	371	(211)
Other liabilities	(23)	30
Net cash flows from operations	1,756	335
Taxation paid	(216)	(132)
Net cash flows from operating activities	1,540	203
Cash flows from investing activities:		
Payments for intangible assets	(18)	(33)
Purchase of plant and equipment	(61)	(385)
Improvement of investment property	(158)	(1,058)
Proceeds from redemption of available-for-sale financial asset	1,104	-
(Increase) / decrease of cash restricted In use over 3 months	(2,022)	1,598
Interest income received	121	128
Dividend income received	267	248
Net cash flows (used in) / from investing activities	(767)	498
Cash flows from financing activities:		
Proceed from issuance of shares	399	86
Purchase of treasury shares	(316)	(21)
Dividend paid	(1,768)	(1,740)
Net cash flows used in financing activities	(1,685)	(1,675)
Net decrease in cash and cash equivalents	(912)	(974)
Effect of exchange rate changes on the balance of cash held in foreign currencies	(1)	7
Cash and cash equivalents, statement of cash flows, beginning balance	12,150	9,273
Cash and cash equivalents, statement of cash flows, ending balance	11,237	8,306

Cash and Cash equivalents:

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following amounts:

	30.09.15	30.09.14
	S\$'000	S\$'000
Fixed deposits	5,350	4,575
Cash and bank balances	5,887	3,731
Unrestricted cash	11,237	8,306
Fixed deposits with maturity over 3 months	7,940	7,878
Cash at end of the reporting period	19,177	16,184

The Group generated net cash flows of S\$1.54 million from operating activities contributed mainly by the profit before tax earned in 1HFY2016. The increase in cash flows was partially offset by the net cash flows used in investing activities and financing activities. For more details, please refer to the statements of cash flows tabulated above.

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share capital S\$'000	Treasury Shares S\$'000	Available- for-sale financial assets reserve S\$'000	Reserve on consolidation S\$'000	Foreign currency translation reserve S\$'000	Share option reserve S\$'000	Retained earnings S\$'000	Attributable to parent S\$'000
Group								
Balance at 1 April 2014	34,563	-	2,593	88	(940)	213	7,517	44,034
Issuance of new shares	86	-	-	-	-	-	-	86
Purchase of treasury shares	-	(21)	-	-	-	-	-	(21)
Profit, net of tax for the year	-	-	-	-	-	-	863	863
Other comprehensive income for the year	-	-	-	-	7	-	-	7
Fair value adjustment on available-for-sale financial assets	-	-	2,488	-	-	-	-	2,488
Other comprehensive income for the year	-	-	2,488	-	7	-	-	2,495
Total comprehensive income for the year	-	-	2,488	-	7	-	863	3,358
Dividends paid	-	-	-	-	-	-	(1,740)	(1,740)
Balance at 30 September 2014	34,649	(21)	5,081	88	(933)	213	6,640	45,717
Balance at 1 April 2015	34,773	(138)	4,387	88	(870)	106	8,584	46,930
Issuance of new shares	399	-	-	-	-	-	-	399
Purchase of treasury shares	-	(316)	-	-	-	-	-	(316)
Profit, net of tax for the year	-	-	-	-	-	-	1,243	1,243
Fair value adjustment on available-for-sale financial assets	-	-	(271)	-	-	-	-	(271)
Other comprehensive loss for the year	-	-	(271)	-	-	-	-	(271)
Total comprehensive (loss) / income for the year	-	-	(271)	-	-	-	1,243	972
Dividends paid	-	-	-	-	-	-	(1,768)	(1,768)
Balance at 30 September 2015	35,172	(454)	4,116	88	(870)	106	8,059	46,217
Company								
Balance at 1 April 2014	34,563	-	2,594	-	-	213	2,804	40,174
Issuance of new shares	86	-	-	-	-	-	-	86
Purchase of treasury shares	-	(21)	-	-	-	-	-	(21)
Profit, net of tax for the period	-	-	-	-	-	-	(227)	(227)
Fair value adjustment on available-for-sale financial assets	-	-	2,488	-	-	-	-	2,488
Total comprehensive (loss) / income for the year	-	-	2,488	-	-	-	(227)	2,261
Dividends paid	-	-	-	-	-	-	(1,740)	(1,740)
Balance at 30 September 2014	34,649	(21)	5,082	-	-	213	837	40,760
Balance at 1 April 2015	34,773	(138)	4,387	-	-	106	2,453	41,581
Issuance of new shares	399	-	-	-	-	-	-	399
Purchase of treasury shares	-	(316)	-	-	-	-	-	(316)
Profit, net of tax for the year	-	-	-	-	-	-	178	178
Fair value adjustment on available-for-sale financial assets	-	-	(271)	-	-	-	-	(271)
Total comprehensive (loss) / income for the year	-	-	(271)	-	-	-	178	(93)
Dividends paid	-	-	-	-	-	-	(1,768)	(1,768)
Balance at 30 September 2015	35,172	(454)	4,116	-	-	106	863	39,803

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 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 Company's proposal to consolidate every five existing issued ordinary shares into one consolidated share was approved by its shareholders at the AGM held on 27 July 2015. The share consolidation was completed on 20 August 2015.

As a result of the share consolidation, the exercise price and the number of shares to be issued under the employees' share option scheme will also be adjusted accordingly.

Total number of issued shares excluding treasury shares as at 30 September 2015 was 35,063,056 (31 March 2015 : 174,209,100 before share consolidation)

Details of changes since the end of the previous reporting period are tabulated below.

	No of shares including treasury shares	No. of treasury shares	Total number of shares excluding treasury shares	Share capital S\$ '000
As at 31 March 2015	174,959,000	749,900	174,209,100	34,773
Issue of shares arising from the exercise of employees share option	2,810,000	-	2,810,000	399
Purchase of treasury shares before completion of share consolidation on 20 August 2015	-	501,300	(501,300)	-
As at share consolidation completion date 20 August 2015	177,769,000	1,251,200	176,517,800	35,172
Reduction in number of share arising from share consolidation	(142,215,204)	(1,000,960)	(141,214,244)	-
As effective date of share consolidation on 20 August 2015	35,553,796	250,240	35,303,556	35,172
Purchase of treasury shares after completion of share consolidation	-	240,500	(240,500)	-
As at 30 September 2015	35,553,796	490,740	35,063,056	35,172

Total number of treasury shares as at 30 September 2015 was 490,740 (30 September 2014 : 120,000 before share consolidation).

The number of unexercised employees' share option as at 31 March 2015 was 4,240,000. During the reporting period, a total of 2,810,000 options were exercised at an exercised price of \$0.142 per share. As at 30 September 2015, after adjusting for the effect of share consolidation, the number of unexercised options were 286,000 at an exercise price of \$0.71 per share.

The table below set-out detailed movement of the employees' share option since the end of the previous period reported on.

Offer date	Name of scheme	Balance at 1.4.2015	Exercised	Share consolidation adjustment	Balance at 30.09.2015	Exercise price per share (after share consolidation adjustment)
20.02.2014	2013	400,000	-	(320,000)	80,000	71 cents
20.02.2014	2013	3,840,000	(2,810,000)	(824,000)	206,000	71 cents
Total		4,240,000	(2,810,000)	(1,144,000)	286,000	

(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.

	30.09.15	31.03.15
Total number of issued shares excluding treasury shares	35,063,056	174,209,100 (before share consolidation)

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares 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 or reviewed by the auditors.

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

Not applicable. The figures have not been audited or reviewed by the auditors.

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

Yes.

Other than the adoption of the new and revised Financial Reporting Standards which came into effect for the financial year ending 31 March 2016 which does not impact the Group significantly, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements for the financial year ended 31 March 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

Please refer to paragraph 4 above.

6 Earning 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

The weighted average number of ordinary shares used for the calculation of earnings per share for 1HFY2015 has been adjusted for share consolidation.

	Group	
	1HFY2016	1HFY2015
Earnings per ordinary share for the year based on net gain attributable to shareholders:-		
	Cent	Cent
(i) Based on weighted average number of ordinary shares on issue	3.56	2.48
(ii) On a fully diluted basis	3.56	2.47

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 period reported on; and
(b) immediately preceding financial year

The weighted average number of ordinary shares used for the calculation of net asset per share as at 31 March 2015 has been adjusted for share consolidation.

	Group		Company	
	30-Sep-15	31-Mar-15	30-Sep-15	31-Mar-15
	\$	\$	\$	\$
Net Asset Value per Ordinary Share based on issued share capital at the end of the reporting year reported on	1.32	1.35	1.14	1.19

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

Total revenue for 1HFY2016 was S\$6.940 million, an increase of 13% as compared to 1HFY2015.

Consistent with the previous years' trends, the Wireless Connectivity Products segment remains the key revenue driver, accounted for 95% of the Group's total revenue. Sales from distribution business grew too but volume remains low since the Group scaled down the distribution business as from 2014.

In terms of geographical revenue spread, Asia including PRC and Europe accounted for 35 % and 29 % of the total revenue respectively, followed by North America 23% and others 13%.

Gross profit

Benefited from an enlarged revenue base and improvement in margin, total gross profit rose from S\$1.821 million in 1HFY2015 to S\$2.389 million in 1HFY2016.

The improvement in gross profit margin was attributable to the Group's continued effort in sourcing for the competitive pricing of manufacturing raw materials.

Property profit

Impacted by a relatively soft market sentiment for the lease of industrial property, as compared to 1H FY2015, rental income decreased due to lower occupancy rate.

Other than commission expense incurred in 1H FY2016 for leasing out the vacant units, there was no other major fluctuation in building expenses.

Other gains

Other gains increased from S\$0.225 million in 1H FY2015 to S\$0.366 million in 1H FY2016 due mainly to the following factors:

- a) Gain in foreign exchange increased by S\$0.167 million due mainly to the strengthening of US\$ against S\$.
- b) A gain of S\$0.073 million which arose from the redemption of available-for-sale financial asset was recorded in 1H FY2016.

Marketing and distribution / Administration expenses

Marketing and distribution expenses and Administration expenses rose 18% and 6 % year-on-year respectively.

The main factors contributing to the increase in costs are:

- 1) Higher staff and employment related costs; and
- 2) Professional costs for share consolidation exercise incurred during 1H FY2016.

Other losses

The Group incurred fair value loss amounted to S\$0.048 million in available-for-sale financial asset as compared to a gain of S\$0.101 million in 1H FY2015. The gain was included in other gains.

Profit before tax

The Group ended the 1H FY2016 with a pre-tax profit of S\$1.396 million, an increase of S\$0.425 million over that of 1H FY2015's.

Main reasons contributed to the rise in profitability were:

- 1) Higher sales volume coupled with improvement in gross profit margin; and
- 2) Higher gain in foreign exchange attributed mainly to the strengthening of US\$ against S\$.

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 wireless industry is expected to grow strongly in the years to come in the face of increase IP traffic and the continued evolution of new technologies. This should augur well for the Group's wireless connectivity business. However, the rising operating costs and difficulty in recruiting the right talents in the R&D field will continue to be a challenge the Group needs to carefully manage to ride on the growth path.

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 closing date

Not Applicable

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

No dividend has been declared / recommended.

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.

No interested person transactions mandate has been obtained from shareholders.

There were no interested person transactions with aggregate value exceeds S\$100,000 during the reporting period.

14 Negative confirmation by the Board pursuant to Rule 705(5)

The Board of Directors confirms that, to the best of their knowledge, nothing has come to their attention which may render the financial statements for the half-year ended 30 September 2015 to be false or misleading in any material aspect.

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 confirms that it has complied with Rule 720(1).

BY ORDER OF THE BOARD

Wan Tiew Leng, Lynn
Company Secretary
Date : 11 November 2015