

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".

## FUJI OFFSET PLATES MANUFACTURING LTD

### Unaudited Half-Year Financial Statement And Related Announcement

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

##### 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

		S\$'000	S\$'000	%
	Note	30.06.14	30.06.13	Increase/ (Decrease)
Revenue		3,555	3,858	(8)
Cost of sales		(2,080)	(2,636)	(21)
<b>Gross profit</b>		<u>1,475</u>	<u>1,222</u>	21
Other operating income	1	39	86	(55)
Distribution expenses		(233)	(251)	(7)
Administrative expenses		(1,014)	(982)	3
<b>Profit from operating activities</b>		<u>267</u>	<u>75</u>	>100
Finance income	2	60	108	(44)
Finance expense	2,4	(16)	-	NM
<b>Net finance income</b>		<u>44</u>	<u>108</u>	(59)
Share of results of associate (net of tax)		-	(120)	NM
<b>Profit before taxation</b>	3	<u>311</u>	<u>63</u>	>100
Income tax expense		(125)	(108)	16
<b>Profit/(loss) for the period, net of tax</b>		<u>186</u>	<u>(45)</u>	NM
<b>Other comprehensive income</b>				
Foreign currency translation gain/(loss)		(54)	366	NM
<b>Other comprehensive income/(loss) for the period, net of tax</b>		<u>(54)</u>	<u>366</u>	NM
<b>Total comprehensive income for the period</b>		<u>132</u>	<u>321</u>	(59)
<b>Profit/(loss) for the period attributable to:</b>				
Owners of the Parent		14	(173)	NM
Non-controlling interests		172	128	34
<b>Profit/(loss) for the period, net of tax</b>		<u>186</u>	<u>(45)</u>	NM
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Parent		(75)	209	NM
Non-controlling interests		207	112	85
<b>Total comprehensive income for the period</b>		<u>132</u>	<u>321</u>	(59)

**Notes:**

		S\$'000	S\$'000	%
	Note	30.06.14	30.06.13	Increase/ (Decrease)
(1) Other operating income includes:				
Gain on disposal of property, plant and equipment		14	-	NM
Income from sales of scrap		11	25	(56)
Others		14	61	(77)
		<u>39</u>	<u>86</u>	(55)

		S\$'000	S\$'000	%
		30.06.14	30.06.13	Increase/ (Decrease)
(2) Finance income/(expense) include:				
Foreign exchange loss		(16)	-	NM
<b>Finance expense</b>		<u>(16)</u>	<u>-</u>	NM
Interest income from banks		60	64	(6)
Foreign exchange gain		-	44	NM
<b>Finance income</b>		<u>60</u>	<u>108</u>	(44)
<b>Net finance income</b>		<u>44</u>	<u>108</u>	(59)

(3) The following items have been included in arriving at profit before taxation:

		S\$'000	S\$'000	%
		30.06.14	30.06.13	Increase/ (Decrease)
Depreciation charge		367	400	(8)
Amortisation charge		17	16	6
Gain on disposal of property, plant and equipment		14	-	NM

(4) NM denotes not meaningful

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

		Group		Company	
		S\$'000	S\$'000	S\$'000	S\$'000
	Note	30.06.14	31.12.13	30.06.14	31.12.13
<b>Non-current assets</b>					
Property, plant and equipment		5,381	5,683	154	205
Investment properties		5,907	6,020	-	-
Investment in subsidiaries		-	-	15,180	15,380
Long-term prepayments		598	623	-	-
Other receivables	1	-	232	-	232
		<u>11,886</u>	<u>12,558</u>	<u>15,334</u>	<u>15,817</u>

	Note	Group		Company	
		S\$'000 30.06.14	S\$'000 31.12.13	S\$'000 30.06.14	S\$'000 31.12.13
<b>Current assets</b>					
Investment in associate		482	482	482	482
Inventories		849	827	11	12
Trade receivables	2	2,119	1,867	16	24
Amounts due from related parties (trade)		46	31	38	5
Other receivables, deposits and prepayments	3	1,313	957	812	687
Cash and cash equivalents		10,508	10,575	413	745
		<u>15,317</u>	<u>14,739</u>	<u>1,772</u>	<u>1,955</u>
<b>Total assets</b>		<u>27,203</u>	<u>27,297</u>	<u>17,106</u>	<u>17,772</u>
<b>Equity</b>					
Share capital		14,807	14,807	14,807	14,807
Reserves		7,392	7,617	2,178	2,770
Equity attributable to equity holders of the Parent		22,199	22,424	16,985	17,577
Non-controlling interests		3,781	3,574	-	-
Total equity		<u>25,980</u>	<u>25,998</u>	<u>16,985</u>	<u>17,577</u>
<b>Non-current liabilities</b>					
Deferred tax liabilities		473	472	-	-
<b>Current liabilities</b>					
Trade and other payables	4	715	790	108	181
Employee benefits		35	37	13	14
		<u>750</u>	<u>827</u>	<u>121</u>	<u>195</u>
<b>Total liabilities</b>		<u>1,223</u>	<u>1,299</u>	<u>121</u>	<u>195</u>
<b>Total equity and liabilities</b>		<u>27,203</u>	<u>27,297</u>	<u>17,106</u>	<u>17,772</u>

**Notes:**

- (1) Other receivables as at 31 December 2013 relates entirely to receivables pertaining to the agreement for the settlement of our intended investment in Shenzhen Jiaxinda Printing Co. Ltd ("JXD") reached with Fong Kah Kuen @ Foong Kah Kuen on 4 October 2013.
- (2) Despite lower sales revenue, trade receivables were higher mainly due to higher sales of printing cylinders in 2Q2014 as compared with 4Q2013. The Company does not foresee any issue with the collectibility of these overdues.
- (3) Other receivables, deposits and prepayments were higher mainly due to prepayments to vendors for the purchase of seamless steel pipes for printing cylinders and receivables in respect of the agreement for the settlement of our intended investment in JXD, now classified as current, in 1) above.
- (4) Trade and other payables were lower mainly due to lower expense accruals which were settled in 1H2014.

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

### Amount repayable in one year or less, or on demand

As at 30/06/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

### Amount repayable after one year

As at 30/06/2014		As at 31/12/2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

### Details of any collateral

For standby credit facilities, the collateral in respect of secured borrowings is by way of legal charges over certain freehold and leasehold land and buildings of a subsidiary and corporate guarantees issued by the Company.

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

	S\$'000 30.06.14	S\$'000 30.06.13
<b>Operating activities</b>		
Profit before taxation	311	63
Adjustments for:		
Depreciation of property, plant and equipment	367	400
Gain on sale of property, plant and equipment	(14)	-
Amortisation of intangible asset and long-term prepayments	17	16
Share of results of associate	-	120
Interest income	(60)	(64)
Operating profit before working capital changes	621	535
Changes in working capital:		
Inventories	(22)	526
Trade receivables	(211)	(389)
Related parties balances	(15)	(73)
Other receivables, deposits and prepayments	(105)	138
Trade and other payables	(82)	(300)
Cash generated from operations	186	437
Income taxes paid	(218)	(56)
Interest received	60	64
<b>Cash flows generated from operating activities</b>	<b>28</b>	<b>445</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(37)	(248)
Proceeds from sale of property, plant and equipment	14	-
Proceeds from partial settlement of other investment	119	-
<b>Cash flows generated from/(used in) investing activities</b>	<b>96</b>	<b>(248)</b>

### Financing activities

Dividends paid to members of the Company	(150)	(150)
Repayment of long-term bank loans	-	(69)
<b>Cash flows used in financing activities</b>	<b>(150)</b>	<b>(219)</b>
Net decrease in cash and cash equivalents	(26)	(22)
Cash and cash equivalents at beginning of the year	10,575	10,172
Effect of exchange rate changes on balances held in foreign currency	(41)	78
Cash and cash equivalents at end of the period	<b>10,508</b>	<b>10,228</b>

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

The Group	Share capital	Foreign currency translation reserve	Revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2014	14,807	(4,820)	995	11,442	22,424	3,574	25,998
Income net of tax for the period	-	-	-	14	14	172	186
Foreign currency translation, represents other comprehensive income for the period	-	(89)	-	-	(89)	35	(54)
Total comprehensive income for the period	-	(89)	-	14	(75)	207	132
Dividends	-	-	-	(150)	(150)	-	(150)
At 30 June 2014	14,807	(4,909)	995	11,306	22,199	3,781	25,980
At 1 January 2013	14,807	(4,996)	995	11,480	22,286	3,476	25,762
Loss net of tax for the period	-	-	-	(173)	(173)	128	(45)
Foreign currency translation, represents other comprehensive income for the period	-	382	-	-	382	(16)	366
Total comprehensive income for the period	-	382	-	(173)	209	112	321
Dividends	-	-	-	(150)	(150)	-	(150)
At 30 June 2013	14,807	(4,614)	995	11,157	22,345	3,588	25,933

The Company	Share capital	Retained earnings	Total
	S\$'000	S\$'000	S\$'000
At 1 January 2014	14,807	2,770	17,577
Loss net of tax, represents total comprehensive loss for the period	-	(442)	(442)
Dividends	-	(150)	(150)
At 30 June 2013	14,807	2,178	16,985
At 1 January 2013	14,807	3,352	18,159
Loss net of tax, represents total comprehensive loss for the period	-	(529)	(529)
Dividends	-	(150)	(150)
At 30 June 2013	14,807	2,673	17,480

- 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.**

There were no changes to the Company's share capital since the end of the previous period reported on. There are no outstanding convertibles and the Company does not hold any treasury shares as at 30 June 2013 and 30 June 2014 respectively.

- 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.**

<b>Company</b>	<b>30.06.14</b>	<b>31.12.13</b>
Total number of issued shares excluding treasury shares	49,912,500	49,912,500

- 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 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.

- 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**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared with those of the audited financial statements as at 31 December 2013 except for the adoption of new or amended Singapore Financial Reporting Standards ("FRS") and interpretations to FRS ("INT FRS"), which took effect from financial year beginning on or after 1 January 2014.

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

The Group has adopted the new and revised FRS that are mandatory for financial years beginning on and after 1 January 2014, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings and financial position of the Group as at 30 June 2014.

**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**

<b>Group</b>	<b>30.06.14</b>	<b>30.06.13</b>
Based on weighted average number of ordinary shares in issue (cents)	0.03	(0.35)
Based on a fully diluted basis (cents)	0.03	(0.35)

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>30.06.14</b>	<b>31.12.13</b>	<b>30.06.14</b>	<b>31.12.13</b>
Net Asset Value per ordinary share (cents)	44.48	44.93	34.03	35.22

**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**

**Revenue**

In 1H2014, total Group revenue amounted to S\$3.56 million as compared with S\$3.86 million for 1H2013, a decrease of S\$0.30 million or about 8%. The lower revenue was mainly due to lower sales of printing plates to Malaysia and Bangladesh, the absence of trading sales of printing plates due to the trading embargo on transshipments to our customers in Turkey, and of printing cylinders to Sri Lanka.

**Costs**

Cost of sales decreased by S\$0.56 million or about 21%, from S\$2.64 million for 1H2013 to S\$2.08 million for 1H2014 in line with lower revenue coupled with lower average costs of raw materials, mainly seamless steel pipes used in the production of printing cylinders, and repair and maintenance expenses for plant and machinery.

**Gross profit**

With the lower revenue which was more than compensated by the lower cost of sales, gross profit for the period improved from S\$1.22 million for 1H2013 to S\$1.48 million for 1H2014, an increase of S\$0.25 million or about 21%. Consequently, gross profit margin improved from 32% for 1H2013 to 41% for 1H2014.

In line with lower revenue, distribution expenses declined by S\$0.02 million or about 7%, from S\$0.25 million for 1H2013 to S\$0.23 million for 1H2014. Administrative expenses, however, increased from S\$0.98 million for 1H2013 to S\$1.01 million for 1H2014, representing an increase of S\$0.03 million or about 3% mainly due to higher professional fees.

**Other Operating Income**

For 1H2014, other operating income amounted to S\$0.09 million as compared with S\$0.04 million for 1H2013, a decline of S\$0.05 million or about 55% mainly due to lower income from sales of

scrap, in line with lower sales revenue, and the absence of related income from trading sales of printing plates.

### **Operating Profit**

On the basis of the above factors, the Group recorded an increase in operating profit of S\$0.19 million, from S\$0.08 million for 1H2013 to S\$0.27 million for 1H2014. The printing plates and cylinders business segment recorded an increase in operating profit of S\$0.23 million in 1H2014, due to higher profits from both printing plates and cylinders business operations amounting to S\$0.04 million and S\$0.19 million respectively, while the investment holding business segment declined marginally by S\$0.04 million for 1H2014.

Net finance income declined from S\$0.11 million for 1H2013 to S\$0.04 million for 1H2014, about 59%, mainly due to exchange rate fluctuations between the S\$ and Malaysian Ringgit.

Share of results of associate (net of tax) relates to the Group's interest in Pioneer Membrane Pte Ltd. The Company plans to liquidate the associate in 3Q2014.

Income tax expense was higher at S\$0.13 million for 1H2014 as compared with S\$0.11 million for 1H2013 in line with the higher profits.

Based on the above factors, therefore, the Group recorded a profit after tax of S\$0.19 million for 1H2014 as compared with a loss after tax of S\$0.05 million for 1H2013.

### **Cash Flow**

For 1H2014, the Group generated a marginal net cash surplus from operations of S\$0.03 million resulting mainly from operating profit before working capital changes of S\$0.62 million which was partially offset by an increase in trade and other receivables of S\$0.32 million, a decrease in trade and other payables of S\$0.08 million and income taxes of S\$0.22 million.

Cash flows from investing activities amounting to S\$0.10 million for 1H2014 is mainly due to the proceeds from the partial settlement of our intended investment in JXD.

Cash flows used in financing activities of S\$0.15 million was entirely for payment of dividends to members of the Company.

As a result of the above factors, cash and cash equivalents decreased marginally by about S\$0.03 million and the Group's cash and cash equivalents stood at S\$10.51 million as at 30 June 2014.

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

No forecast or prospect statement was disclosed to shareholders previously.

**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 Board of Directors is of the opinion that the outlook for the next 12 months for printing plates and cylinders business segment will continue to remain challenging due to keen competition. In the printing plates business sub-segment, as the Group had phased out the production of printing plates, it will continue to engage primarily in the trading of the product, where profitable. In light of the difficult business environment, the Group will continue to control its operating costs, to the extent possible, and seek new business and additional profit opportunities as and when they arise.



**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

None

**(c) Date payable**

Not Applicable

**(d) Books closure date**

Not Applicable

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

No dividend has been declared or recommended for the financial period ended 30 June 2014.

**13. Interested Person Transactions (January – June 2014)**

Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705.

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Adrian Teo Kee Tiong: - sales of printing cylinders from Fuji Roto Gravure Sdn Bhd (FRG), a subsidiary of the Group and a company in which he has an interest to another subsidiary in the Group, the provision of technical services by a subsidiary to FRG and the lease of premises by a subsidiary of the Group to FRG	Nil	S\$223,300

**14. Negative Assurance on Interim Financial Statements**

Confirmation by the Board Pursuant to Catalist Rule 705(5)

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the financial results of the Group and the Company for the first half-year ended 30 June 2014 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

Cheng Soon Keong  
Company Secretary

12 August 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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