

**CPH LTD.**

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**Unaudited Half Year Financial Statement and Dividend Announcement for the Financial Period  
Ended 30 September 2015**

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*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 assumes 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.*

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**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**

	<b>Group</b>		
	S\$'000		%
	Six months ended 30/09/2015	Six months ended 30/09/2014	Increase/ (Decrease)
<b><u>Continuing operations</u></b>			
Revenue	3,157	3,954	(20.2)
Cost of sales	(2,937)	(3,583)	(18.0)
Gross profit	220	371	(40.7)
Share of results of associate, net of tax	(106)	(35)	202.9
Interest income	7	3	133.3
Other income	334	315	6.0
Selling and distribution expenses	(34)	(55)	(38.2)
Administrative and other operating expenses	(1,423)	(783)	81.7
Finance costs	(11)	(17)	(35.3)
Loss from continuing operations, before income tax	(1,013)	(201)	404.0
Income tax expense	-	-	NM
<b>Loss from continuing operations, net of tax</b>	<b>(1,013)</b>	<b>(201)</b>	<b>404.0</b>
<b><u>Discontinued operations</u></b>			
Loss from discontinued operations, net of tax	-	-	NM
Loss for the financial year	(1,013)	(201)	404.0
<b>Other comprehensive income:</b>			
<i>Items that will or may be reclassified subsequently to profit or loss:</i>			
<b>Continuing operations</b>			
Exchange differences on translating foreign operations	31	(8)	(487.5)
<b>Discontinued operations</b>			
Exchange differences on translating foreign operations	-	-	NM
<b>Other comprehensive income for the financial year, net of tax</b>	<b>31</b>	<b>(8)</b>	<b>(487.5)</b>
<b>Total comprehensive income for the financial year</b>	<b>(982)</b>	<b>(209)</b>	<b>369.9</b>
<b>Loss attributable to:</b>			
<b>Owners of the parent</b>			
- Continuing operations	(1,013)	(201)	404.0
- Discontinued operations	-	(1,253)	(100.0)
	(1,013)	(1,454)	(30.3)
<b>Non-controlling interests</b>			
- Continuing operations	-	-	NM
- Discontinued operations	-	1,253	(100.0)
	-	1,253	(100.0)
	(1,013)	(201)	404.0
<b>Total comprehensive income attributable to:</b>			
<b>Owners of the parent</b>			
- Continuing operations	(982)	(209)	369.9
- Discontinued operations	-	(1,253)	(100.0)
	(982)	(1,462)	(32.8)
<b>Non-controlling interests</b>			
- Continuing operations	-	-	NM
- Discontinued operations	-	1,253	(100.0)
	-	1,253	(100.0)
	(982)	(209)	369.9

NM = Not Meaningful

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

	Group		
	S\$'000		%
	30/09/2015	30/09/2014	Increase/ (Decrease)
Loss after income tax is arrived at:			
<b>After charging:</b>			
<b>Continuing operations</b>			
Depreciation of property, plant and equipment	237	285	(16.8)
Foreign exchange loss	614	-	NM
Interest expense	11	17	(35.3)
<b>Discontinued operations</b>			
Depreciation of property, plant and equipment	-	-	NM
Interest expense	-	-	NM
<b>and crediting:</b>			
<b>Continuing operations</b>			
Interest income	7	3	133.3
Rental Income	301	294	2.4
Foreign exchange gain	-	17	(100.0)
<b>Discontinued operations</b>			
Foreign exchange gain	-	-	NM

NM = Not Meaningful

**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**

	<b>Group</b> As at 30/09/2015 S\$'000	<b>Group</b> As at 31/03/2015 S\$'000	<b>Company</b> As at 30/09/2015 S\$'000	<b>Company</b> As at 31/03/2015 S\$'000
<b>Non-current assets</b>				
Subsidiaries	-	-	12,731	12,731
Associate	544	649	-	-
Property, plant and equipment	1,679	2,168	-	-
Investment property	8,500	8,500	-	-
Available-for-sale financial asset	98	98	98	98
	<u>10,821</u>	<u>11,415</u>	<u>12,829</u>	<u>12,829</u>
<b>Current assets</b>				
Inventories	1,466	1,760	-	-
Trade and other receivables	1,188	1,113	3,945	4,030
Prepayments	47	52	19	9
Cash and cash equivalents	3,678	4,087	417	632
	<u>6,379</u>	<u>7,012</u>	<u>4,381</u>	<u>4,671</u>
Less:				
<b>Current liabilities</b>				
Trade and other payables	1,049	852	86	145
Bank borrowings	231	640	-	-
Finance lease payables	21	23	-	-
	<u>1,301</u>	<u>1,515</u>	<u>86</u>	<u>145</u>
Net current assets	<u>5,078</u>	<u>5,497</u>	<u>4,295</u>	<u>4,526</u>
Less:				
<b>Non-current liability</b>				
Deferred tax liabilities	72	83	-	-
Finance lease payables	54	74	-	-
	<u>126</u>	<u>157</u>	<u>-</u>	<u>-</u>
<b>Net assets</b>	<u>15,773</u>	<u>16,755</u>	<u>17,124</u>	<u>17,355</u>
<b>Capital and reserves</b>				
Share capital	24,764	24,764	24,764	24,764
Foreign currency translation account	(245)	(276)	-	-
Share-based payment reserve	10	10	10	10
Accumulated losses	(8,756)	(7,743)	(7,650)	(7,419)
<b>Equity attributable to owners of the parent</b>	<u>15,773</u>	<u>16,755</u>	<u>17,124</u>	<u>17,355</u>
Non-controlling interests	-	-	-	-
<b>Total equity</b>	<u>15,773</u>	<u>16,755</u>	<u>17,124</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 30/09/2015 S\$'000		As at 31/03/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
21	231	23	640

**Amount repayable after one year**

As at 30/09/2015 S\$'000		As at 31/03/2015 S\$'000	
Secured	Unsecured	Secured	Unsecured
54	-	74	-

**Details of any collateral**

The finance lease of the Group is secured by PCB Tester under finance lease. PCB Tester was purchased by 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.**

	<b>Group</b>	
	<b>Six months ended 30/09/2015 S\$'000</b>	<b>Six months ended 30/09/2014 S\$'000</b>
<b>Operating activities</b>		
Loss before income tax from continuing operations	(1,013)	(201)
Loss before income tax from discontinued operation	-	-
Loss before income tax, total	<u>(1,013)</u>	<u>(201)</u>
Adjustments for :		
Property, plant and equipment written off	-	2
Depreciation of property, plant and equipment	237	285
Interest expense	11	17
Interest income	(7)	(3)
Share of results of associate, net of tax	106	35
Operating cash flows before working capital changes	<u>(666)</u>	<u>135</u>
Working capital changes:		
Inventories	69	2
Trade and other receivables	(823)	(425)
Prepayments	1	(5)
Trade and other payables	1,490	(134)
Net cash from/ (used in) operating activities	<u>71</u>	<u>(427)</u>
<b>Investing activities</b>		
Purchase of plant and equipment	(5)	(11)
Interest received	7	3
Net cash from/ (used in) investing activities	<u>2</u>	<u>(8)</u>
<b>Financing activities</b>		
Proceeds from trust receipts	594	1,411
Repayment of trust receipts	(1,003)	(1,487)
Repayment of finance lease payable	(11)	(11)
Proceed from bank borrowing	-	51
Interest paid	(11)	(17)
Net cash used in financing activities	<u>(431)</u>	<u>(53)</u>
Net change in cash and cash equivalents	(358)	(488)
Cash and cash equivalents at beginning of financial period	4,087	4,363
Exchange difference on cash and cash equivalents	(51)	2
Cash and cash equivalents at end of financial period (See Note A)	<u>3,678</u>	<u>3,877</u>

**Note A**

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

	<b>Six months ended 30/09/2015 S\$'000</b>	<b>Six months ended 30/09/2014 S\$'000</b>
Fixed deposits with banks	2,909	2,917
Cash and bank balances	<u>769</u>	<u>960</u>
	<u>3,678</u>	<u>3,877</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 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 S\$'000	Foreign currency translation account S\$'000	Share-based payment reserve S\$'000	Accumulated losses S\$'000	Total equity attributable to owners of the parent S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
<b>Balance at 1 April 2014</b>	24,764	(258)	10	(6,055)	18,461	(1,253)	17,208
Loss for the financial period	-	-	-	(1,454)	(1,454)	1,253	(201)
Other comprehensive income	-	8	-	-	8	-	8
Total comprehensive income for the financial period	-	8	-	(1,454)	(1,446)	1,253	(193)
<b>Balance at 30 September 2014</b>	24,764	(250)	10	(7,509)	17,015	-	17,015
<b>Balance at 1 April 2015</b>	24,764	(276)	10	(7,743)	16,755	-	16,755
Loss for the financial period	-	-	-	(1,013)	(1,013)	-	(1,013)
Other comprehensive income	-	31	-	-	31	-	31
Total comprehensive income for the financial period	-	31	-	(1,013)	(982)	-	(982)
<b>Balance at 30 September 2015</b>	24,764	(245)	10	(8,756)	15,773	-	15,773

The Company	Share capital S\$'000	Accumulated losses S\$'000	Share-based payment reserve S\$'000	Total S\$'000
<b>Balance at 1 April 2014</b>	24,764	(7,223)	10	17,551
Total comprehensive income for the financial period	-	(205)	-	(205)
<b>Balance at 30 September 2014</b>	24,764	(7,428)	10	17,346
<b>Balance at 1 April 2015</b>	24,764	(7,419)	10	17,355
Total comprehensive income for the financial period	-	(231)	-	(231)
<b>Balance at 30 September 2015</b>	24,764	(7,650)	10	17,124

**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 31 March 2015 and 30 September 2015. There was no change in the Company’s share capital from 31 March 2015 up to 30 September 2015.

The Company did not have any outstanding convertible securities or treasury shares as at 30 September 2015 and 30 September 2014.

**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 30 September 2015 and 31 March 2015 was 1,229,226,124 ordinary shares.

The Company did not have any treasury shares as at 30 September 2015 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 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 nor 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 period reported on as compared with those in the Company’s most recently 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/revised Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are relevant to its operations and are effective in the current financial periods beginning on 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 period reported on.

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

Loss per ordinary share of the Group based on loss attributable to owners of the Company	Group	
	30/09/2015	30/09/2014
(Loss) from continuing operations attributable to owners of the parent (SGD' 000)	(1,013)	(201)
(Loss) from discontinued operations attributable to owners of the parent (SGD' 000)	-	(1,253)
<u>Continuing operations</u>		
(a) Based on the weighted average number of ordinary shares in issue (SGD cents)	(0.08)	(0.02)
(b) On a fully diluted basis (SGD cents)	(0.08)	(0.02)
<u>Discontinued operations</u>		
(c) Based on the weighted average number of ordinary shares in issue (SGD cents)	NM	(0.10)
(d) On a fully diluted basis (SGD cents)	NM	(0.10)

Loss per ordinary share for the half year ended 30 September 2015 (“1H2016”) and half year ended 30 September 2014 (“1H2015”) in item 6(a) 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 the said financial periods.

Loss per ordinary share on a fully diluted basis are the same as the basic loss per ordinary share for 1H2016 and 1H2015 because the Company did not have any potential dilutive ordinary shares as at the end of the respective financial periods.

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 30/09/2015	As at 31/03/2015	As at 30/09/2015	As at 31/03/2015
Net asset value per ordinary share based on issued share capital (SGD cents)	1.28	1.36	1.39	1.41

Net asset value per share of the Group and Company were calculated based on the net assets of the Group and Company respectively, divided by the issued ordinary share capital of 1,229,226,124 shares as at 30 September 2015 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 (1H2016 vs. 1H2015)

##### Continuing Operations

##### Revenue

The Group recorded a decrease in revenue of 20.2% for 1H2016 which amounted to S\$3.16 million as compared to S\$3.95 million for 1H2015 due to the decrease in business activities from the Group's existing customers which resulted in decreased demand for the Group's products. The currencies exchange translation also contributed to the decline as the majority of the revenue was billed in Malaysia currency.

##### Loss Before Income Tax

The Group's gross profit for 1H2016 was S\$0.22 million as compared to S\$0.37 million for 1H2015. The Group's gross profit margin decreased from 9.4% in 1H2015 to 7.0% in 1H2016 as the result of the weakening Malaysia currency against Singapore Dollar. Together with the lower sales, the Group's gross profit decreased by S\$0.15 million for 1H2016 as compared to 1H2015.

Other income in 1H2016 was S\$0.33 million, a slight increase from S\$0.32 million recorded in 1H2015. The increase was mainly contributed by the rental income which increased from S\$0.29 million in 1H2015 to S\$0.30 million in 1H2016.

Selling and distribution expenses decreased by about S\$0.02 million from S\$0.06 million in 1H2015 to S\$0.03 million in 1H2016 due to lower sales.

The Group's administrative and other operating expenses increased from S\$0.78 million in 1H2015 to S\$1.42 million in 1H2016 mainly due to an amount of S\$0.61 million in exchange loss as compared to an exchange gain of S\$0.02 million in 1H2015.

The Group's depreciation charges was reduced from S\$0.29 million in 1HFY2015 to S\$0.24 million as some of the existing plant and equipment have been fully depreciated and there was no significant additions during 1H2016.

The Group's finance cost slightly reduced from S\$0.02 million in 1H2015 to S\$0.01 million in 1H2016.

The Group recorded a loss of S\$0.11 million in its share of results of associate for 1H2016 as compared to a loss of S\$0.04 million in 1H2015 due to lower gross profit margin and higher staff cost during 1H2016.

As a result of the above, the Group recorded a loss before income tax of S\$1.01 million in 1H2016 as compared to S\$0.20 million in 1H2015.

#### Statement of Financial Position

The Group's property, plant and equipment decreased from S\$2.17 million as at the end of FY2015 to S\$1.68 million as at the end of 1H2016 mainly due to depreciation charges of S\$0.24 million and a translation exchange loss of S\$0.26 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\$1.47 million as at the end of 1H2016 as overall sales and purchases were lower during 1H2016.

Trade and other receivables increased slightly from S\$1.11 million as at the end of FY2015 to S\$1.19 million as at the end of 1H2016 as the sales for the last few months of 1H2016 were higher than that of FY2015. Trade and other payables increased from S\$0.85 million as at the end of FY2015 to S\$1.05 million as at the end of 1H2016 as certain purchases were carried out in the later few months of 1H2016.

The Group's working capital was S\$5.08 million as at the end of 1H2016 as compared to S\$5.50 million as at the end of FY2015.

#### Cash Flow

Cash and cash equivalents decreased from S\$4.09 million as at the end of FY2015 to S\$3.68 million as at the end of 1H2016.

The Group has an operating cash outflow of S\$0.67 million before working capital changes compared to cash inflow of S\$0.14 million for 1H2015. Net cash generated from operating activities in 1H2016 amounted to S\$0.07 million. During 1H2016, trade and other receivables increased by S\$0.82 million, whereas an amount of S\$1.49 million and S\$0.07 million cash inflow were recorded for the increase of trade and other payables and decrease of inventories respectively.

During 1H2016, an amount of S\$0.01 million was used for the purchase of office equipment for the Group.

For the financing activities, a net amount of S\$0.41 million was utilised for the repayment of trust receipts. An amount of S\$0.02 million was used for repayment of finance lease and interests in 1H2016.

**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 in respect of 1H2016 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.**

Weaker Malaysia currency coupled with the slower growth in China continue to affect the Group's performance as the export demand for our PCB products are lower than expected. The

Group will continue its efforts in its cost-saving measures and close monitoring of its operational efficiency to preserve its cash flow while expanding its customer base.

**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 / recommended for the six months period ended 30 September 2015.

**13. Requirement under Rule 705(5) of the SGX-ST Listing Manual Section B – Rules of Catalist**

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

**14. If the group has obtained a general mandate from shareholders for interested persons transactions (“IPTs”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have a general mandate for recurrent interested person transactions. There were no interested person transactions with value of S\$100,000 or more during 1H2016.

## 15. 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 business 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 <sup>(1)</sup>	Nil Nil
<b>Total</b>	<b>1.49</b>	<b>0.48</b>	<b>1.01</b>

Note:

<sup>(1)</sup> 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.

### **BY ORDER OF THE BOARD**

Choo Tung Kheng  
Managing Director  
12 November 2015