

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF YEAR FINANCIAL RESULTS

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

CONSOLIDATED INCOME STATEMENT

	Group		
	01.04.2017 to 30.09.2017 S\$	01.04.2016 to 30.09.2016 S\$	Increase/ (Decrease)
Revenue	77,252,557	73,063,288	5.7%
Cost of sales	(69,961,265)	(66,013,010)	6.0%
Gross profit	7,291,292	7,050,278	3.4%
	9.44%	9.65%	
Other operating income	143,595	47,379	203.1%
Selling and distribution expenses	(3,107,627)	(3,276,532)	(5.2%)
General and administrative expenses	(2,366,106)	(2,537,042)	(6.7%)
Profit from operations before foreign exchange	1,961,154	1,284,083	52.7%
Foreign exchange gain/(loss)	517,838	8,651	5885.9%
Profit from operations	2,478,992	1,292,734	91.8%
Financial expenses (Note A)	(60,922)	(85,830)	(29.0%)
Financial income	4,710	2,547	84.9%
Operating profit before taxation	2,422,780	1,209,451	100.3%
Taxation	(383,025)	(276,040)	38.8%
Profit after taxation	2,039,755	933,411	118.5%
Attributable to:			
Owners of the Company	1,850,834	842,911	119.6%
Non controlling interests	188,921	90,500	108.8%
	2,039,755	933,411	118.5%
Other comprehensive income :			
Foreign currency translation	66,157	(125,656)	(152.6%)
Other comprehensive income for the period, net of tax	66,157	(125,656)	(152.6%)
Total comprehensive income for the period	2,105,912	807,755	160.7%
Total comprehensive income attributable to :			
Owners of the Company	1,916,715	757,995	152.9%
Non controlling interests	189,197	49,760	280.2%
	2,105,912	807,755	160.7%

Note 1- Profit before income tax is stated after (charging) /crediting the following:

	Group		
	01.04.2017 to 30.09.2017 S\$	01.04.2016 to 30.09.2016 S\$	Increase/ (Decrease)
Allowance for doubtful trade receivables	(72,000)	(48,000)	50.00%
Depreciation of property, plant and equipment	(97,002)	(119,813)	(19.0%)
Allowance for inventory obsolescence	(194,872)	(257,526)	47.3%

Note A

	Group		
	01.04.2017 to 30.09.2017 S\$	01.04.2016 to 30.09.2016 S\$	Increase/ (Decrease)
Financial expenses			
Trade bill interest	16,637	23,065	(27.9%)
Loan interest	39,765	57,698	(31.1%)
Finance lease interest	4,520	5,067	(10.8%)
	60,922	85,830	(29.0%)

n.m. = 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**

STATEMENT OF FINANCIAL POSITION

	Group		Company	
	30.09.2017	31.03.2017	30.09.2017	31.03.2017
	S\$	S\$	S\$	S\$
Non-current assets				
Property, plant and equipment	461,009	522,186	302,765	350,282
Investment in subsidiaries	-	-	119,183	119,182
Deferred tax assets	256,898	252,276	-	-
Intangible assets	-	-	-	-
	717,907	774,462	421,948	469,464
Current assets				
Inventories	24,379,839	18,739,810	15,324,523	11,028,866
Trade receivables	23,203,246	21,405,967	24,546,786	21,357,359
Other receivables and deposits	2,893,567	839,952	282,847	580,160
Prepayments	69,478	86,487	40,986	49,292
Cash and bank balances	9,405,170	14,142,236	7,119,275	12,070,354
	59,951,300	55,214,452	47,314,417	45,086,031
Current Liabilities				
Trade payables	(19,808,931)	(21,525,467)	(18,390,625)	(18,844,442)
Bills payable to banks (unsecured)	(5,440,292)	(3,140,165)	(4,898,499)	(3,140,165)
Short term loan	(1,600,000)	-	(1,600,000)	-
Other payables and accruals	(5,445,660)	(4,040,536)	(3,642,458)	(4,437,550)
Hire-purchase liabilities	(91,014)	(107,056)	(91,014)	(104,710)
Provision for taxation	(877,860)	(685,093)	(728,831)	(542,065)
	(33,263,757)	(29,498,317)	(29,351,427)	(27,068,932)
Net current assets	26,687,543	25,716,135	17,962,990	18,017,099
Non-current liabilities				
Hire-purchase liabilities	-	(38,839)	-	(38,839)
Deferred tax liabilities	(29,121)	(29,121)	(29,121)	(29,121)
Net assets	27,376,329	26,422,637	18,355,817	18,418,603
Equity attributable to owners of the Company				
Share capital	11,173,106	11,173,106	11,173,106	11,173,106
Returned shares	(104,822)	(104,822)	(104,822)	(104,822)
Treasury shares	(259,824)	(259,824)	(259,824)	(259,824)
Other reserve	65,685	65,685	-	-
Retained earnings	16,065,132	15,366,518	7,547,357	7,610,143
Foreign currency translation reserve	(1,008,285)	(1,074,166)	-	-
	25,930,992	25,166,497	18,355,817	18,418,603
Non controlling interests	1,445,337	1,256,140	-	-
Total equity	27,376,329	26,422,637	18,355,817	18,418,603

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

Amount repayable in one year or less, or on demand

30.09.2017		31.03.2017	
Secured	Unsecured	Secured	Unsecured
91,014	7,040,292	107,056	3,140,165

Amount repayable after one year

30.09.2017		31.03.2017	
Secured	Unsecured	Secured	Unsecured
-	-	38,839	-

Details of any collateral

Finance lease is secured by the fixed assets acquired under the lease arrangement.

1(c)

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

CASH FLOW STATEMENTS

	Group	
	01.04.2017 to 30.09.2017 S\$	01.04.2016 to 30.09.2016 S\$
Cash flows from operating activities		
Profit before taxation	2,422,780	1,209,451
Adjustments for:		
Depreciation of property, plant and equipment	97,002	119,813
Allowance for doubtful trade receivables	72,000	48,000
Allowance for inventory obsolescence	194,872	257,526
Interest expense	60,922	85,830
Interest income	(4,710)	(2,547)
Translation difference	47,682	(133,397)
Operating profit before working capital changes	2,890,548	1,584,676
(Increase)/decrease in		
Inventories	(5,834,901)	(2,433,087)
Trade receivables	(1,869,279)	1,385,227
Other receivables and deposits	(2,053,615)	(464,673)
Prepayments	17,009	49,657
Increase/(decrease) in :		
Trade payables	(1,716,536)	1,633,619
Bills payable to banks (unsecured)	2,300,127	(2,016,185)
Other payables and accruals	1,405,124	773,183
Cash (used in)/generated from operations	(4,861,523)	512,417
Interest expense paid	(60,922)	(85,830)
Interest income received	4,710	2,547
Income tax paid	(194,880)	(186,313)
Net cash (used in)/generated from operating activities	(5,112,615)	242,821
Cash flows from investing activities		
Purchase of property, plant and equipment	(34,579)	(93,686)
Net cash used in investing activities	(34,579)	(93,686)
Cash flow from financing activities		
Repayment of hire purchase liabilities	(54,881)	(58,492)
Proceeds from short term loan	1,600,000	-
Purchase of treasury shares	-	(159,131)
Dividend paid	(1,152,220)	(1,160,530)
Net cash generated from/(used in) financing activities	392,899	(1,378,153)
Net decrease in cash and cash equivalents	(4,754,295)	(1,229,018)
Effect of exchange rate changes on cash and cash equivalents	17,229	6,045
Cash and cash equivalents at the beginning of the period	14,142,236	11,617,645
Cash and cash equivalents at the end of the period	9,405,170	10,394,672

1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in the 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 immediate preceding financial year.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign currency translation reserves	Other Reserve	Total equity attributable to owners of the parent	Non controlling interests	Total equity
2017/18 Group									
Opening balance at 1 April 2017	11,173,106	(104,822)	(259,824)	15,366,518	(1,074,166)	65,685	25,166,497	1,256,140	26,422,637
Profit for the period	-	-	-	1,850,834	-	-	1,850,834	188,921	2,039,755
Other comprehensive income for the period	-	-	-	-	65,881	-	65,881	276	66,157
Total comprehensive income for the period	-	-	-	1,850,834	65,881	-	1,916,715	189,197	2,105,912
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	(1,152,220)	-	-	(1,152,220)	-	(1,152,220)
Balance as at 30 September 2017	11,173,106	(104,822)	(259,824)	16,065,132	(1,008,285)	65,685	25,930,992	1,445,337	27,376,329

Attributable to owners of the Company

	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign currency translation reserves	Other Reserve	Total equity attributable to owners of the parent	Non controlling interests	Total equity
2016/17 Group									
Opening balance at 1 April 2016	11,173,106	(104,822)	(88,904)	13,605,977	(1,005,566)	65,685	23,645,476	964,537	24,610,013
Profit for the period	-	-	-	842,911	-	-	842,911	90,500	933,411
Other comprehensive income for the period	-	-	-	-	(84,916)	-	(84,916)	(40,740)	(125,656)
Total comprehensive income for the period	-	-	-	842,911	(84,916)	-	757,995	49,760	807,755
Purchase of treasury shares	-	-	(159,130)	-	-	-	(159,130)	-	(159,130)
Dividends	-	-	-	(1,160,530)	-	-	(1,160,530)	-	(1,160,530)
Balance as at 30 September 2016	11,173,106	(104,822)	(248,034)	13,288,358	(1,090,482)	65,685	23,083,811	1,014,297	24,098,108

	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
2017/18 Company					
Opening balance as at 1 April 2017	11,173,106	(104,822)	(259,824)	7,610,143	18,418,603
Profit for the period	-	-	-	1,089,434	1,089,434
Total comprehensive income for the period	-	-	-	1,089,434	1,089,434
Purchase of treasury shares	-	-	-	-	-
Dividends	-	-	-	(1,152,220)	(1,152,220)
Balance as at 30 September 2017	11,173,106	(104,822)	(259,824)	7,547,357	18,355,817

	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
2016/17 Company					
Opening balance as at 1 April 2016	11,173,106	(104,822)	(88,904)	6,729,569	17,708,949
Profit for the period	-	-	-	1,071,042	1,071,042
Total comprehensive income for the period	-	-	-	1,071,042	1,071,042
Purchase of treasury shares	-	-	(159,130)	-	(159,130)
Dividends	-	-	-	(1,160,530)	(1,160,530)
Balance as at 30 September 2016	11,173,106	(104,822)	(248,034)	6,640,081	17,460,331

1 (d)(ii) Detail of any changes in the company's share capital arising from rights issues, bonus issues, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition of for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial period. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

Treasury shares	HY2017/18		HY2016/17	
	No. of share	S\$	No. of share	S\$
Balance as at 1 April	1,278,000	259,824	447,000	88,904
Purchased during the period	-	-	771,000	159,130
Balance as at 30 September	1,278,000	259,824	1,218,000	248,034

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.

	30.09.2017	30.09.2016
Total no. of issued shares (excluding treasury shares and returned shares)	115,222,000	115,282,000

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 year report on

Not applicable as there were no sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the financial period.

1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable as there were no sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the financial period.

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.

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 preparation of the financial statements for the current reporting period as compared to the most recent audited financial statements for the financial year ended 31 March 2017.

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 all applicable new and revised FRS that become effective during the new financial year and has no significant impact to the Group.

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

Earnings per ordinary share (cents)	Group	
	30.09.2017	30.09.2016
Based on weighted average number of ordinary shares in issue	1.60	0.73
Based on a fully diluted basis	1.60	0.73

The earnings per share for the period ended 30 September 2017 was calculated based on profit attributable to owners of the Company divided by number of ordinary shares 115,222,000, excluding 1,278,000 treasury shares and 681,818 returned shares. (HY2016/17:115,282,000 shares, excluding 1,218,000 treasury shares and 681,818 returned shares).

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30.09.2017	31.03.2017	30.09.2017	31.03.2017
	Cents	Cents	Cents	Cents
Net asset value per ordinary share based on issued share capital as at the end of the year reported on	22.51	21.84	15.93	15.99

Net asset value per ordinary share for the period ended 30 September 2017 was calculated based on net assets of the Group and Company after deducting non controlling interests divided by 115,222,000 shares, excluding 1,278,000 treasury shares and 681,818 returned shares. (FY2016/17:115,222,000 shares, excluding 1,278,000 treasury shares and 681,818 returned shares).

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 on 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 any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Turnover, Earnings & Cost

Revenue increased by \$4.2mil or 5.7% from \$73.1mil in HY2016/17 to \$77.3mil in HY2017/18. The multimedia and storage segments contributed to the improvement in revenue as the Group secured new distributorships in Singapore.

Gross profits increased by \$0.2mil or 3.4% from 7.1mil in HY2016/17 to \$7.3mil in HY2017/18. Gross margin decreased marginally from 9.7% in HY2016/17 to 9.4% in HY2017/18 as the Company sold more storage products at a lower margin.

Other operating income increased by \$96.2k or 203.1% from \$47.4k in HY2016/17 to \$143.6k in HY2017/18. A substantial part of the increase is attributable to the interest income earned from the convertible notes extended to Bluedge Internatioanl Limited in Apr2017.

Selling and distribution and general and administrative expenses decreased by \$0.2mil and \$0.1mil respectively as the savings mainly came from the disposal of the Australia unit in Nov2016 and there was no expense recorded for this entity in HY2017/18.

The foreign exchange gain recorded in HY2017/18 is a result of the depreciation of the USD against the SGD.

Finance expenses decreased by about \$24.9k or 29.0% and this accounted for 1.1% (HY2016/17:1.5%) of total operating costs. These were mainly incurred to support regional operations.

Assets & Liabilities, Cash flow

The decrease in non current assets of about \$56.6k or 7.3% from FY2016/17 to HY2017/18 is due to depreciation of the property, plant and equipment.

The Group saw trade receivables increased by \$1.8mil or 8.4% from \$21.4mil in FY2016/17 to \$23.2mil in HY2017/18 and the trade receivables turnover in days decreased to 53 days (FY2016/17:56 days).

Specific allowance has been made for doubtful debts after due consideration by the management and Board.

The trade payables decreased by \$1.7mil or 8.0% to \$19.8mil in HY2017/18 with turnover days decreased to 54 days (FY2016/17:58 days).

Inventory increased by \$5.7mil or 30.1% from \$18.7mil in FY2016/17 to \$24.4mil in HY2017/18 as the Group increased its brand distributorships and product range . Inventory turnover in days reduced to 56 days (FY2016/17: 59 days). Specific allowance has been made for slow moving items and management deems it as adequate.

The Group has utilised credit facilities from banks such as bills payable and short term loans to support regional growth and finance the purchase of inventory.

Cash from operations decreased to about \$4.9mil as the Group built up its inventories as more brand distributorships were secured during the financial period. This led to increased in revenue and hence increased trade receivables. These were partially offsetted by the increase in cash flow from financing activities, being proceeds from short term loan.

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

No forecasts have been provided previously.

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.

Market sentiments continued to remain uncertain and while the GDP forecast in Singapore is expected to grow marginally, consumer spending has been cautious. These uncertainties would pose challenges to business prospects.

Nevertheless, the prudence in our management of our inventories and cash flow has allowed the Group to record a better profit as compared to the corresponding period last financial year.

We will continue to adopt a prudent strategy and also explore potential overseas business opportunities.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

Yes.

(b)(i) Current financial period reported on

Name of dividend	Interim
Dividend type	Cash
Dividend amount per share (in cents)	0.5 Singapore cent per ordinary share

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

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net or tax, state the tax rate and the country where the dividend is derived. If the dividend is not taxable in the hands of shareholders, this must be stated)

One-tier Tax Exempt

(d) The date the dividend is payable

11 December 2017

(e) Books closure date

Registrable transfers received by the Company's Share Registrar, M & C Services Private Limited, at 112 Robinson Road, #05-01, Singapore 068902, up to 5.00 p.m. on 30 November 2017 will be registered before entitlements to the Interim Dividend are determined and the Share Transfer Books and the Register of Members of the Company will be closed on 1 December 2017 for the purposes of determining shareholders' entitlement to the Interim Dividend.

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

Not applicable.

13

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

The Company has obtained a shareholders mandate for interested person transactions on 12 February 2016. For financial period ended 30 September 2017, the Group entered into interested person transactions with the following:-

Name of Interested Person	Aggregate value of all interested person transactions during the financial year 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 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Sale of goods to Beijing Lava Techonology Development Co., Ltd	-	1,513,482
Sale of goods to Hong Kong Lava Holdings Company Ltd	-	17,450

14 Statement pursuant to Rule 705(5) of the Listing Manual

We, Teng Woo Boon and Neo Gim Kiong, being the two Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company 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 financial results of the Group and the Company for the period ended 30 September 2017, to be false or misleading in any material aspect.

Teng Woo Boon
Managing Director

Neo Gim Kiong
Independent Director

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 procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual of Singapore Exchange Securities Trading Limited.

ON BEHALF OF THE BOARD

RONALD TENG WOO BOON
MANAGING DIRECTOR

10 November 2017