



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

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.

CONSOLIDATED INCOME STATEMENT

	2012	2011	Increase/ (Decrease)
	Jan-Jun	Jan-Jun	
	S\$ '000	S\$ '000	%
Revenue	79,591	88,393	(10.0)
Cost of sales	(70,763)	(78,491)	(9.8)
Gross profit	<u>8,828</u>	<u>9,902</u>	(10.8)
Other items of income			
Interest income	29	21	38.1
Other credits	2,146	2,507	(14.4)
Other items of expense			
Distribution costs	(2,728)	(2,607)	4.6
Administrative expenses	(4,998)	(6,049)	(17.4)
Finance costs	(955)	(677)	41.1
Other charges	(394)	(872)	(54.8)
Profit before tax	<u>1,928</u>	<u>2,225</u>	(13.3)
Income tax expense	(470)	(621)	(24.3)
Profit net of tax	<u>1,458</u>	<u>1,604</u>	(9.1)
Profit attributable to owners of parent, net of tax	1,472	1,615	(8.9)
Loss attributable to non-controlling interest, net of tax	(14)	(11)	27.3
Profit net of tax	<u>1,458</u>	<u>1,604</u>	(9.1)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit net of tax	1,458	1,604	(9.1)
Other comprehensive income/ (loss) for the period, net of tax			
Exchange differences on translating foreign operations	(1,924)	(2,252)	(14.6)
Total comprehensive income/ (loss) for the period, net of tax	<u>(466)</u>	<u>(648)</u>	(28.1)
Total comprehensive income/ (loss) attributable to:			
Owners of parent, net of tax	(452)	(637)	(29.0)
Non-controlling interest, net of tax	(14)	(11)	27.3
Total comprehensive income/ (loss) for the period, net of tax	<u>(466)</u>	<u>(648)</u>	(28.1)

Earnings per share

	Cents	Cents
Basic	<u>0.40</u>	<u>0.44</u>
Diluted	<u>0.40</u>	<u>0.43</u>



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

NOTE TO CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2012	2011
	Jan-Jun	Jan-Jun
	S\$ '000	S\$ '000
Foreign exchange adjustment losses	(165)	(390)
Other income including interest income	2,175	2,528
Interest expenses	(955)	(677)
Gain on disposal of plant and equipment	30	3
Depreciation and amortisation	(2,806)	(3,047)
Allowance for impairment on trade receivables	(4)	(32)
Allowance for impairment on inventories	(300)	(271)
Inventories written off	(3)	(119)
Allowance for construction contracts	-	(67)



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

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.

STATEMENT OF FINANCIAL POSITION

	Group		Company	
	30 Jun 2012 S\$ '000	31 Dec 2011 S\$ '000	30 Jun 2012 S\$ '000	31 Dec 2011 S\$ '000
Assets				
Non-current assets				
Property, plant and equipment	50,724	53,311	14,651	15,239
Investments in subsidiaries	-	-	50,797	50,797
Intangible assets	2,333	2,340	-	-
Deferred tax assets	65	75	-	-
Total non-current assets	53,122	55,726	65,448	66,036
Current assets				
Assets of Disposal Group classified as held for sale	-	3,694	-	117
Inventories	34,130	38,384	13,914	16,256
Trade and other receivables	47,467	38,418	27,678	25,302
Other assets	6,494	6,441	611	297
Cash and cash equivalents	7,137	16,851	1,873	7,589
Total current assets	95,228	103,788	44,076	49,561
Total assets	148,350	159,514	109,524	115,597
EQUITY AND LIABILITIES				
Equity attributable to owners of parent				
Share capital	55,619	55,619	55,619	55,619
Retained earnings	25,317	24,415	18,778	19,273
Other reserves	3,503	5,411	495	495
Reserve of Disposal Group classified as held for sale	-	(119)	-	-
Equity attributable to owners of the parent, total	84,439	85,326	74,892	75,387
Non-controlling interest	(17)	33	-	-
Total equity	84,422	85,359	74,892	75,387
Non-current liabilities				
Deferred tax liabilities	1,330	1,268	1,298	1,236
Finance leases	-	6	-	6
Other financial liabilities	13,102	14,687	13,102	14,687
Total non-current liabilities	14,432	15,961	14,400	15,929
Current liabilities				
Liabilities of Disposal Group classified as held for sale	-	3,912	-	-
Provision	702	702	-	-
Income tax payable	181	125	50	50
Trade and other payables	25,697	30,403	10,284	15,042
Finance leases	44	75	44	75
Other financial liabilities	22,872	22,977	9,854	9,114
Total current liabilities	49,496	58,194	20,232	24,281
Total liabilities	63,928	74,155	34,632	40,210
Total equity and liabilities	148,350	159,514	109,524	115,597



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand

As at 30 Jun 2012		As at 31 Dec 2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
9,264	13,652	9,269	16,083

Amount repayable after one year

As at 30 Jun 2012		As at 31 Dec 2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	13,102	6	14,687

Details of any collaterals

Certain items of the Group's property, plant and equipment at a carrying value of S\$15,169,000 (31 Dec 2011: S\$15,866,000) are pledged as security for the bank facilities.



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	2012	2011
	Jan - Jun	Jan - Jun
	S\$ '000	S\$ '000
Cash flows from operating activities		
Profit before tax	1,928	2,225
Depreciation of property, plant and equipment	2,799	3,032
Amortisation of other intangible assets	7	15
Interest income	(29)	(21)
Interest expense	955	677
Loss/(gain) on disposal of property, plant & equipment	(30)	(3)
Fair value gain on other financial assets	-	(4)
Net effect of exchange rate changes in consolidating foreign operations	(1,502)	(978)
Operating cash flows before changes in working capital	4,128	4,943
Trade and other receivables	(9,612)	(1,385)
Other assets	(54)	(1,232)
Inventories	4,254	4,614
Trade and other payables	(4,497)	(1,711)
Net cash flows from operations before interest and tax	(5,781)	5,229
Income taxes paid	(349)	(584)
Net cash flows (used in)/from operating activities	(6,130)	4,645
Cash flows from investing activities		
Disposal of property, plant and equipment	338	619
Purchase of property, plant and equipment	(1,366)	(2,885)
Received from exercise of share options	-	386
Disposal of subsidiary, net of cash disposed	(248)	-
Interest received	29	21
Net cash flows used in investing activities	(1,247)	(1,859)
Cash flows from financing activities		
Dividends paid to equity owners	(554)	(1,104)
Repayment of bank borrowings	(8,723)	(4,066)
Increase in new borrowings	7,585	2,422
Finance lease repayments	(38)	(38)
Interest paid	(955)	(677)
Net cash flows used in financing activities	(2,685)	(3,463)
Net decrease in cash and cash equivalents	(10,062)	(677)
Cash and cash equivalents, statement of cash flows, beginning balance	17,199	14,769
Cash and cash equivalents, statement of cash flows, ending balance	7,137	14,092
Cash and cash equivalents comprise the following:		
Cash at bank and on hand	7,137	14,092
Less: bank overdrafts	-	-
	7,137	14,092



1(c)(ii) Disposal of subsidiary

The following table summarises the carrying value of the assets and liabilities of the subsidiary.

	S\$'000
Plant and equipment	2,508
Investment	10
Inventories	162
Other assets	1,078
Trade and other receivables	465
Cash and cash equivalents	348
Trade and other payables	(1,612)
Other financial liabilities	(2,300)
Net assets disposed of, before re-measurement loss*	659
Loss on disposal	(559)
Consideration from disposal	100
Group's dividend receivable - part of proceed from disposal	1,029
Aggregate proceeds from disposal	1,129
Group's net cash inflow/(outflow) arising from disposal of subsidiary	
Aggregate proceeds from disposal	1,129
Cash balance disposed of	(348)
Cash inflow from disposal	781
Outstanding proceeds from disposal - Group's dividend receivable	(1,029)
Net of cash outflow for the reporting period (1HFY2012)	(248)
Net impact of disposal of subsidiary	
Loss on disposal	(559)
Undertaking of debt owing to Disposal Group	(318)
Net loss on disposal of subsidiary*	(877)

* Disclosed as loss recognised on re-measurement to fair value less costs to sell and was accounted under "Discontinued Operations of Disposal Group classified as Held for Sale" in the financial year ended 31 December 2011.



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

- 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.

STATEMENTS OF CHANGES IN EQUITY

Group	Share capital	Statutory reserve	Share option reserve	Foreign currency translation reserve	Reserve of Disposal Group held for sale	Retained earnings	Parent sub-total	Minority interest	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2011									
Opening balance at 1 Jan 2011	55,021	3,821	749	(1,647)	-	24,032	81,976	60	82,036
Dividends paid	-	-	-	-	-	(1,104)	(1,104)	-	(1,104)
Share option exercised	598	-	(212)	-	-	-	386	-	386
Total comprehensive (loss)/income for the period	-	-	-	(2,252)	-	1,615	(637)	(11)	(648)
Transfer from retained earnings to statutory reserves	-	-	(43)	-	-	43	-	-	-
Closing balance at 30 Jun 2011	55,619	3,821	494	(3,899)	-	24,586	80,621	49	80,670
2012									
Opening balance at 1 Jan 2012	55,619	4,188	495	728	(119)	24,415	85,326	33	85,359
Dividends paid	-	-	-	-	-	(554)	(554)	-	(554)
Total comprehensive (loss)/income for the period	-	-	-	(1,924)	-	1,472	(452)	(14)	(466)
Disposal of subsidiary, previously classified as held for sale under Disposal Group	-	-	-	-	119	-	119	(36)	83
Transfer from retained earning to capital reserve	-	16	-	-	-	(16)	-	-	-
Closing balance at 30 Jun 2012	55,619	4,204	495	(1,196)	-	25,317	84,439	(17)	84,422



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

Company	Share capital	Share option reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
2011				
Opening balance at 1 Jan 2011	55,021	749	19,003	74,773
Dividends paid	-	-	(1,104)	(1,104)
Share option exercised	598	(212)	-	386
Total comprehensive income for the period	-	-	563	563
Transfer from share option reserve to retained earnings	-	(43)	43	-
Closing balance at 30 Jun 2011	55,619	494	18,505	74,618
2012				
Opening balance at 1 Jan 2012	55,619	495	19,273	75,387
Dividends paid	-	-	(554)	(554)
Total comprehensive income for the period	-	-	59	59
Closing balance at 30 Jun 2012	55,619	495	18,778	74,892



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

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.

On or about 27 August 2010, the Company issued 181,878,000 new ordinary shares ("Rights Shares") in the capital of the Company pursuant to a renounceable non-underwritten rights issue on the basis of one (1) Rights Share for every one (1) existing ordinary shares in the capital of the Company.

As announced on 23 February 2011 in connection with the Rights Issue, the exercise price of the share options granted pursuant to the Scheme has been adjusted as follows:-

Grant Date	Exercise Period	Original Exercise Price	Re-priced Exercise Price
4 Sep 2007	From 4 Sep 2009 to 3 Sep 2012	S\$0.13	S\$0.0813
4 Sep 2007	From 4 Sep 2009 to 3 Sep 2017	S\$0.13	S\$0.063

The above adjustments have been reviewed by the Company's auditors and they opined that the revised exercise prices are fair and reasonable.

As at 30 June 2012, there were 13,750,000 (31 Dec 2011: 13,750,000) unissued ordinary shares under the Superior Multi-Packaging (2001) Executives' Share Option Scheme ("Scheme").

No options were granted under the Scheme during the financial period.

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 as at 30 June 2012 is 369,656,000 shares (31 December 2011 :369,656,000 shares).

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 auditing standard or practice.

The figures have not been audited nor 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.

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 reporting period compared with those of the audited financial statements as at 31 December 2011.

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 adoption of the new and revised FRS did not have any significant impact to the Group's financial statements for the period ended 30 June 2012.



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

- 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:-**
(a) Based on the weighted average number of ordinary share on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	30 Jun 2012	30 Jun 2011
Earnings per ordinary share for the period based on net profit attributable to shareholders:-		
(a) Based on the weighted average number of ordinary share on issue	0.40 cents	0.44 cents
- Weighted average number of shares	369,656,000	366,066,497
(b) On a fully diluted basis	0.40 cents	0.43 cents
- Adjusted weighted average number of shares	370,857,172	371,181,417

- 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	
	Half year ended 30 Jun 2012	Year ended 31 Dec 2011	Half year ended 30 Jun 2012	Year ended 31 Dec 2011
Net asset value per ordinary share based on issued share capital at the end of the financial period	22.84 cents	23.08 cents	20.26 cents	20.39 cents

The net asset value per ordinary share at the end of the current period and immediately preceding financial year have been calculated based on 369,656,000 issued shares.



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

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 Group Performance

Revenue

The Group's revenue for the financial period ended 30 June 2012 ("1HFY2012") decreased 10.0% to S\$79.6 million mainly due to a slowdown in China's manufacturing sector resulting in lower demands.

For revenue by geographical segments, Singapore market contributed S\$38.7 million while the China market generated S\$37.0 million, the aggregate of which accounted for 95.1% of the Group's revenue. For other operations in India, Vietnam and the Philippines, revenue increased by 7.1% to S\$3.9 million for 1HFY2012.

Revenue for the metal packaging business decreased from S\$56.1 million to S\$50.5 million accounting for 63.4% of the Group's revenue. Sales volumes decreased by approximately 14.3% to 22.1 million units of container cans, pails and drums as compared to previous corresponding period. The flexible packaging business remains relatively stable with revenue of S\$28.0 million, representing 35.1% of the Group's revenue for the period under review.

Profitability

Gross profit decreased 10.8% to S\$8.8 million (1HFY2011: S\$9.9 million) as a result of the lower sales volume.

Other credits decreased 14.4% to S\$2.1 million, a result of lower scrap sales arising from the decrease in Group's revenue.

Distribution costs remained relatively unchanged at S\$2.7 million for both reporting periods.

Administrative expenses fell by S\$1.0 million or 17.4% from S\$6.0 million in 1HFY2011 to S\$5.0 million in 1HFY2012 primarily due to a decrease in personnel related costs and the absence of approximately S\$0.5 million expenses for subsidiaries being disposed in early 2012.

Finance costs were up by 41.1% to S\$0.96 million due mainly to higher usage of fixed rate term loans where interest charges are higher.

Other charges decreased 54.8% to S\$0.4 million, a result of lower exchange loss and inventories written off.

Net profit after tax decline by 9.1% to S\$1.5 million in 1HFY2012, as compared to S\$1.6 million in 1HFY2011.

Statement of Financial Position and Cash Flow Analysis

Total assets decreased 7.0% to S\$148.4 million as at 30 June 2012 from S\$159.5 million as at 31 December 2011. Total liabilities decreased 13.8% to S\$63.9 million as at 30 June 2012 from S\$74.2 million as at 31 December 2011.

Trade and other receivables increased by S\$9.0 million to S\$47.5 million as at 30 June 2012 from S\$38.4 million as at 31 December 2011 due mainly to extension of credit term to a major customer of the Group.

In line with the reduction in revenue, inventories dropped by S\$4.3 million to S\$34.1 million which led to a reduction in trade and other payables balances of S\$4.7 million to S\$25.7 million.

In 1HFY2012, the Group recorded a net cash outflow from operating activities of S\$6.1 million primarily due to the increase in trade receivables. Net cash outflows from investing activities stood at S\$1.2 million largely due to the upgrading of equipment.

Net cash outflows from financing activities stood at S\$2.7 million, mainly due to the increase of net repayment of bank borrowings of S\$1.1 million, dividend and interest payment of S\$1.5 million.

Cash and cash equivalents amounted to S\$7.1 million as at 30 June 2012, down from S\$14.1 million as at 30 June 2011. The Group maintained a relatively healthy financial position as at 30 June 2012 with a net gearing ratio at 34.2%, as compared to 24.5% at 31 December 2011.



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

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

Not applicable.

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.

Macro uncertainty continues to persist given the slowdown in China's economy. Business conditions are expected to soften across the various relevant industries. Volatility in raw materials prices and increasing inflationary pressures continue to be a growing concern.

The Group will continue to be selective in growing along with its long-standing MNC customers in a cautious and prudent manner, rationalize operations, manage headcount to cut cost and conserve cash.

11 If a decision regarding dividend has been made:-

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding period of the immediately preceding financial year

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

No.

(c) The date the dividend is payable

Not Applicable.

(d) Books closure date

Not Applicable.

12 If no dividend has been declared (recommended), a statement to that effect.

Not Applicable.



UNAUDITED HALF YEAR FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT FOR THE PERIOD ENDED 30 JUNE 2012

Part II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13 Segmented revenue and results for business or geographical 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.

Not Applicable.

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

Not Applicable.

15 A breakdown of sales as follows:-

Not Applicable.

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

Not Applicable.

17 Interested Person Transactions

Aggregate value of all transactions conducted under a shareholders' mandate# pursuant to Rule 920 of the SGX Listing Manual

	Group	
	Half year ended 30 Jun 2012	Half year ended 30 Jun 2011
Transactions for the sale of goods and services	S\$'000	S\$'000
Nippon Paint Group	-	6,305

As announced on 2nd March 2011, Nippon Paint Group ceased as substantial shareholder of the Company.

The shareholders' mandate expired on 29 April 2011.

18 Comparative Figures

Following a reassessment of the nature and classification of the comparative figures, certain comparative figures have been reclassified to reflect the nature of these items more appropriately.

Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of SGX-ST

On behalf of the Board of Directors of the Company, we the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first half ended 30 June 2012 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors,

Prof Tan Chin Tiong
 Director

Wang Gee Hock
 Director

BY ORDER OF THE BOARD

Juliana Lee/ Liew Meng Ling
 Joint Company Secretaries
 10 August 2012