ACHIEVA
GROUP OF COMPANIES

First Quarter Financial Statement Announcement 2015

Part 1 - INFORMATION REQUIRED FOR FIRST QUARTER FINANCIAL STATEMENT ANNOUNCEMENT

No.1(a) A statement of comprehensive income (for the group) together with a comparative statement of the corresponding period of the immediately preceding financial year.

	Group Statement of comprehensive income for the 3 months ended 31 March		
	2015 **S$ '000**	**2014** **S$ '000** **(Restated)**	**Change** **%**
Continuing operations			
Revenue	25,757	19,240	34%
Cost of sales	(24,613)	(18,492)	33%
Gross profit	1,144	747	53%
Gross profit margin	4.4%	3.9%	
Other operating income	75	87	-13%
Selling expenses	(448)	(480)	-7%
Administrative expenses	(750)	(933)	-20%
Other operating expenses	(352)	(32)	1002%
Loss from continuing operations	(331)	(611)	-46%
Finance expenses	(18)	(18)	0%
Loss before tax from continuing operations	(349)	(629)	-45%
Income tax credit/ (expenses)	(1)	3	-137%
Loss from continuing operations, net of tax	(350)	(626)	-44%
Net loss margin, from continuing operations	-1.4%	-3.3%	-58%
Discontinued operations			
Gain from discontinued operations, net of tax	-	39	nm
Loss for the period attributable to the owners of the Company	(350)	(587)	-40%
Other comprehensive income:			
Foreign currency translation	(120)	223	-154%
Other comprehensive income, net of tax	(120)	223	-154%
Total comprehensive income, net of tax	(470)	(364)	29%
Loss attributable to:			
Owners of the Company	(233)	(587)	-60%
Non-controlling interests	(117)	-	nm
	(350)	(587)	-40%
Other comprehensive income attributable to:			
Owners of the Company	(61)	223	-82%
Non-controlling interests	(59)	-	nm
	(120)	223	-66%

nm : not meaningful

Notes to Statement of Comprehensive Income

(i) Loss for the period is stated after (charging)/crediting:
(For continuing operations only)

	Group 3 Months Ended 31 March		
	2015 S$ '000	2014 S$ '000 (Restated)	Variance %
Interest income	26	28	-7%
Depreciation of plant and equipment	(32)	(41)	-21%
Amortisation of intangible assets	(9)	(9)	-5%
Financial expenses, net	(18)	(18)	2%
Bank charges	(4)	(9)	-55%
Interest expense	(14)	(9)	64%
Allowance for inventory obsolescence, net	(18)	(5)	283%
(Allowance for)/ Write back of allowance for doubtful trade receivables, net	22	(10)	-321%
Foreign exchange (loss) / gain	(335)	38	-982%

(ii) Loss for the period is stated after (charging)/crediting:
(Including continuing and discontinued operations)

	Group 3 Months Ended 31 March		
	2015 S$ '000	2014 S$ '000	Variance %
Interest income	26	79	-67%
Depreciation of plant and equipment	(32)	(41)	-21%
Amortisation of intangible assets	(9)	(9)	-5%
Financial expenses, net	(18)	(18)	4%
Bank charges	(4)	(9)	-55%
Interest expense	(14)	(9)	64%
Allowance for inventory obsolescence, net	(18)	(5)	283%
(Allowance for)/ Write back of allowance for doubtful trade receivables, net	22	(17)	-230%
Foreign exchange (loss) / gain	(335)	42	-898%

(iii) Adjustments for under or over provision of tax of previous years

Over provision of tax in respect of prior years	-	-	nm

No.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	
	Unaudited	Audited	Unaudited	Audited
	31.3.15	31.12.14	31.3.15	31.12.14
	S$ '000	S$ '000	S$ '000	S$ '000
Non-Current Assets				
Plant and equipment	143	145	-	-
Intangible assets	32	41	-	-
Investments in subsidiaries	-	-	4,888	4,888
Trade receivable	250	250	-	-
	425	436	4,888	4,888
Current Assets				
Inventories	7,769	5,940	-	-
Trade and other receivables	15,125	12,452	585	849
Prepaid operating expenses	157	406	29	5
Due from subsidiaries	-	-	1,645	2,300
Cash and cash equivalents	25,339	23,457	20,885	20,235
	48,390	42,255	23,144	23,389
Current Liabilities				
Trade and other payables	11,900	9,196	-	-
Other liabilities	683	931	534	669
Loans and borrowings	4,117	-	-	-
Income tax payable	3	2	-	-
Provisions	199	179	-	-
	16,902	10,308	534	669
Net Current Assets	31,488	31,947	22,610	22,720
Net Assets	31,913	32,383	27,498	27,608
Equity attributed to owners of the Company				
Share capital	23,395	23,395	23,395	23,395
Retained earnings	6,412	6,645	3,381	3,491
Other reserves	(2,414)	(2,353)	722	722
	27,393	27,687	27,498	27,608
Non-controlling interests	4,520	4,696	-	-
Total Equity	31,913	32,383	27,498	27,608

No.1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	As at 31.3.2015		As at 31.12.2014	
	Secured S$ '000	**Unsecured S$ '000**	**Secured S$ '000**	**Unsecured S$ '000**
(a) **Amount repayable in one year or less, or on demand**	-	4,117	-	-
(b) **Amount repayable after one year**	-	-	-	-
	-	4,117	-	-

Details of any collateral

A subsidiary has a bank facility amounting to USD5m which are secured by a corporate guarantee issued by the Company

No.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.

Statement of cash flows	**Group**	
	3 months ended 31 March	
	2015	**2014**
	S$ '000	**S$ '000**
		(Restated)
Operating Activities		
Loss before tax from continuing operations	(349)	(629)
Loss before tax from discontinued operations	-	39
Loss before tax , total	(349)	(590)
Adjustments for:		
Depreciation of plant and equipment	9	41
Amortisation of intangible assets	32	9
Interest expense	14	9
Interest income	(26)	(79)
Share-based payment expense	-	7
Allowance for/ (Write back of allowance for) doubtful trade receivables, net	(22)	17
Allowance for inventory obsolescence, net	18	5
Gain on disposal of other investment	-	(2)
Net fair value loss on derivatives	-	17
Reversal of provisions, net	20	(14)
Provision discount rate adjustment	-	(7)
Currency alignment	(120)	171
Operating cash flows before changes in working capital	(424)	(416)
(Increase)/ Decrease in inventories	(1,847)	(744)
Decrease/ (Increase) in trade and other receivables	(2,651)	502
Decrease in prepaid operating expenses	249	17
Decrease in loan to an investee company	-	64
(Decrease)/ Increase in trade and other payables	2,704	(742)
Increase in other liabilities	(248)	120
Cash flows (used in) operations	(2,217)	(1,199)
Interest paid	(14)	(9)
Interest received	26	79
Income taxes credit/ (paid)	-	3
Net cash flows (used in) operating activities	**(2,205)**	**(1,126)**
Investing activities		
Proceeds from disposal of other investment	-	9
Purchase of plant and equipment	(30)	-
Net cash flows generated from/ (used in) investing activities	**(30)**	**9**
Financing activities		
Proceeds from loans and borrowings	4,117	-
Repayment of loans and borrowings	-	(6,964)
Net cash flows (used in)/ generated from financing activities	**4,117**	**(6,964)**
Net (decrease)/ increase in cash and cash equivalents	1,882	(8,081)
Effect of exchange rate changes on cash and cash equivalents	-	52
Cash and cash equivalents at beginning of the period	23,457	28,137
Cash and cash equivalents at end of the period	**25,339**	**20,108**

Note to the statement of cash flows

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

	31.3.2015	**31.3.2014**
	S$ '000	**S$ '000**
Fixed deposits	19,599	13,583
Cash and bank balances	5,740	6,525
	25,339	**20,108**

1d(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.

Statement of changes in equity	Equity, Total S$'000	Equity attributable to owners of the Company S$'000	Share capital S$'000	Retained earnings S$'000	Other reserves S$'000	Share based compensation reserve S$'000	Premium received from sale of non-controlling interest S$'000	Foreign currency translation reserve S$'000	Non-controlling interests S$'000
The Group									
Balance as at 1 January 2015	32,383	27,687	23,395	6,645	(2,353)	722	172	(3,247)	4,696
Loss for the period	(350)	(233)	-	(233)	-	-	-	-	(117)
Other comprehensive income									
Foreign currency translation	(120)	(61)	-	-	(61)	-	-	(61)	(59)
Other comprehensive income for the period, net of tax	(120)	(61)	-	-	(61)	-	-	(61)	(59)
Total comprehensive income for the period	(470)	(294)	-	(233)	(61)	-	-	(61)	(176)
Contributions by and distributions to owners									
Total transactions with the owners in their capacity as owners	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2015	31,913	27,393	23,395	6,412	(2,414)	722	172	(3,308)	4,520

1d(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.

Statement of changes in equity	Equity, Total S$'000	Equity attributable to owners of the Company S$'000	Share capital S$'000	Retained earnings S$'000	Other reserves S$'000	Share based compensation reserve S$'000	Premium received from sale of non-controlling interest S$'000	Foreign currency translation reserve S$'000	Non-controlling interests S$'000
The Group									
Balance as at 1 January 2014	33,920	33,920	23,395	12,980	(2,455)	713	-	(3,168)	-
Loss for the period	(587)	(587)	-	(587)	-	-	-	-	-
Other comprehensive income									
Foreign currency translation	223	223	-	-	223	-	-	223	-
Other comprehensive income for the period, net of tax	223	223	-	-	223	-	-	223	-
Total comprehensive income for the period	(364)	(364)	-	(587)	223	-	-	223	-
Contributions by and distributions to owners									
Share-based payment expense	7	7	-	-	7	7		-	-
Total contributions by and distributions to owners Issue of shares	7	7	-	-	7	7		-	
Total transactions with the owners in their capacity as owners	7	7	-	-	7	7	-	-	-
Balance as at 31 March 2014	33,563	33,563	23,395	12,393	(2,225)	720	-	(2,945)	-

Statement of changes in equity

	Equity, Total S$'000	Share capital S$'000	Retained earnings S$'000	Share based compensation reserve S$'000
The Company				
Balance as at 1 January 2015	27,608	23,395	3,491	722
Loss for the period, representing total comprehensive income for the period	(110)	-	(110)	-
Contributions by owners				
Share-based payment expense	-	-	-	-
Total contributions by owners	-	-	-	-
Total transactions with owners in their capacity as owners	-	-	-	-
Balance as at 31 March 2015	27,498	23,395	3,381	722

	Equity, Total S$'000	Share capital S$'000	Retained earnings S$'000	Share based compensation reserve S$'000
The Company				
Balance as at 1 January 2014	32,386	23,395	8,278	713
Profit for the period, representing total comprehensive income for the period	(58)	-	(58)	-
Contributions by owners				
Share-based payment expense	7	-	-	7
Total contributions by owners	7	-	-	7
Total transactions with owners in their capacity as owners	7	-	-	7
Balance as at 31 March 2014	32,335	23,395	8,220	720

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.

At 31 March 2015, the changes in the Company's share capital from the end of the previous period reported on, are as follows:

	Paid-up capital S$ '000	Number of shares #	Number of Treasury shares
Balance as at 31 December 2014	23,395	523,142,696	-
Balance as at 31 March 2015	23,395	523,142,696	-

	Number of shares that may be issued on conversion of all oustanding convertibles	Number of shares #	Number of Treasury shares
- as at 31 March 2014	1,100,000	523,142,696	-
- as at 31 March 2015	0	523,142,696	-

excluding treasury shares

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.

	31.3.15	31.12.14
Total number of issued shares	523,142,696	523,142,696
Less : Treasury shares	-	-
Total number of issued shares excluding treasury shares	523,142,696	523,142,696

1 (d)(iv) A statement showing all the 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 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 quarterly announcements for the current financial period as those of the audited financial statements for the year ended 31 December 2014, as well as the applicable Financial Reporting Standards ("FRSs") which became effective for financial years beginning on or after 1 January 2015. The adoption of these new and revised FRSs has no material effect on the first quarter announcement for the current financial period.

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

Please refer to item 4 above.

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.

		3 months ended 31 March 2015	2014 (Restated)
Loss per ordinary share (cents), for continuing operations			
(i)	Basic earnings per share	(0.04)	(0.12)
(ii)	Diluted earnings per share	(0.04)	(0.12)
		Number of shares	
Weighted average number of ordinary shares in issue applicable to basic EPS		523,142,696	523,142,696
Shares applicable to diluted EPS		-	-
		523,142,696	523,142,696

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 31.3.15	As at 31.12.14	As at 31.3.15	As at 31.12.14
Net asset value per share (S$ cents)	5.24	5.29	5.26	5.28

* Net asset value attributable to the company's shareholders excluding net asset attributable to non-controlling interests.

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.

(1) Revenue

Revenue achieved in Q1 FY2015 was $25.8 million compared to $19.2 million in Q1 FY2014. There was a increase of $6.6 million amounting to 33.9%.

The increase in revenue was due mainly to the higher sales volume in Malaysia as customers were stocking up before the implementation of Goods and Services Tax in Malaysia in April 2015.

(2) Gross Profit and Gross Profit Margin

Gross profit increased by $0.4m from $0.7m in Q1 FY2014 to $1.1m in Q1 FY2015. Gross Profit Margin in Q1 FY2015 was 4.4% which was higher than 3.9% achieved in Q1 FY2014.

The increase in gross profit was due mainly to higher sales volume as well as better gross profit margin. The improvement in gross profit margin was due mainly to selling of products with higher margin in Q1 FY 2015.

(3) Other Operating Income

Other Operating Income decreased by $12k from $87k in Q1 FY2014 to $75k in Q1 FY2015. The decrease was due mainly to a foreign exchange gain in Q1 FY2014 (Nil in Q1 FY2015).

(4) Administrative Expenses

Administrative Expenses decreased by $0.1m from $0.9m in Q1 FY2014 to $0.8 in Q1 FY2015. The decrease was due mainly to reduction of personnel expenses.

(5) Other Operating Expenses

Other Operating Expenses increased by $0.4m from $32k in Q1 FY2014 to $0.4m in Q1 FY2015. The incease was due mainly to foreign exchange loss in Q1 FY2015 arising from the depreciation of Malaysian Ringgit (currency of sales) against US Dollars (currency of purchase) in Q1 FY2015.

(6) Discontinued operations

The group ceased its Indonesian operations with effect from Q4 FY2014 as the business was incurring losses. The results of the Indonesian operations in Q1 FY2014 are presented seperately as "Loss from discontinued operations, net of tax" and the comparative figures are restated accordingly.

(7) Foreign Currency Translation

Foreign currency translation turned from a gain of $233k in Q1 FY2014 to a loss of $120k in Q1 FY 2015. The gain for Q1 FY2014 was due mainly to the strengthening of the Australian dollars in the the translation of the Australian subsidary's balance sheet on consolidation. The loss for Q1 FY2015 was due to the translation loss of both Australian and Malaysian subsidiaries' balance sheets on consolidation.

(8) Statement of Financial Position

As at 31 March 2015, the Group's net assets were $31.9m compared to $32.4m as at 31 December 2014.
The net assets of $31.9m comprised cash and cash equivalents of $25.3m (cash and cash equivalents were $23.5m as at 31 December 2014).

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. (Continued from previous page)

(9) Inventories
Inventories increased by $1.9m from $5.9m at end of FY2014 to $7.8m in Q1 FY2015. The increase was due mainly to higher purchases made by the Group in anticipation of higher sales.

(10) Trade and Other Receivables
Trade and Other Receivables increased by $2.7m from $12.7m (Current Assets: $12.4m , Non-Current Assets: $0.3m) at end of FY2014 to $15.4m (Current Assets: $15.1m, Non-Current Assets: $0.3m) in Q1 FY2015. The increase was due mainly to more trade receivables arising from higher sales in March 2015.

(11) Prepaid Operating Expenses
Prepaid Operating Expenses decreased by $0.2m from $0.4m at end of FY2014 to $0.2m in Q1 FY2015. The decrease was due mainly to a reduction of prepayment to a supplier.

(12) Cash and Cash Equivalents

Cash and cash equivalents increased by $1.8m from $23.5m at end of FY2014 to $25.3m in Q1 FY2015. The increase was due mainly to a loan taken by a subsidiary to pay trade payables.

(13) Trade and Other Payables
Trade and Other Payables increased by $2.7m from $9.2m at end of FY2014 to $11.9m in Q1 FY2015. The increase was due mainly to higher purchases of inventories in March 2015.

(14) Other Liabilities

Other Liabilities decreased by $0.2m from $0.9m at end of FY2014 to $0.7m in FY2015. The decrease was due mainly to payment of professional fees relating to the proposed acquisition of SUTL Marina Development Pte Ltd and ONE15 Luxury Yachting Pte Ltd.

(15) Loans and Borrowing
Loans and Borrowings increased by $4.0m from $Nil at end of FY2014 to $4.0m in Q1 FY2015. The increase was due to a short term loan taken by a subsidiary to finance its operations in Q1 FY2015.

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

The Company did not make any forecast or prospect statement in respect of the Group's results for the fourth quarter financial results announcement 2014 (the "Q4FY2014 Announcement"). Notwithstanding this, the Group's results for the first quarter financial results announcement 2015 are in line with the commentary under paragraph 10 of the Group's Q4 FY 2014 Announcement.

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 market conditions remain challenging, and the keen competition in the markets that the Group operates in will continue to impact revenue and margin in FY2015.

The Company has announced on 14 August 2014 a proposed acquisition of SUTL Marina Development Pte Ltd and ONE15 Luxury Yachting Pte Ltd.

The Company has, on 28 April 2015, announced that it has received in-principle approval by the SGX-ST for the listing and quotation of the consideration shares. An EGM will be convened in due course for independent shareholders to approve the acquisition.

11 If a decision regarding a dividend has been made :-

(a) **Whether an interim ordinary dividend has been declared (recommended)**

No.

(b) **(i) Amount per share … cents;**
(ii) Previous corresponding period …. Cents.

None for (i) and (ii).

(c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of 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)**

Not applicable.

(d) **The date the dividend is payable.**

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.

Not applicable

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

No dividend has been declared or recommended.

13 Interested Person Transactions

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

There were no interested person transactions (above S$100k each) conducted pursuant to the general mandate for IPTs during the financial period of Q1 FY2015 reported on.

14 Negative Assurance Confirmation

The Board of Directors has confirmed that to the best of their knowledge, nothing has come to their attention which may render the unaudited interim financial results for the quarter ended 31 March 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
Arthur Tay Teng Guan
Executive Director and Chief Executive Officer
5 May 2015

Press and analysts enquiries

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