CRAFT PRINT INTERNATIONAL LTD

(Incorporated in Singapore)
(Co. Reg. No: 197501572K)

Unaudited Full Year Financial Statement And Dividend Announcement for the year ended 30 September 2014

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP		
	Year ended 30/09/14	**Year ended 30/09/13**	**% Change**
	$'000	**$'000**	
Revenues			
Sale of goods	13,299	14,606	-8.9
Other operating income			
Other income	435	478	-9.0
Total other operating income	**435**	**478**	-9.0
Changes in inventories of finished goods and work-in-progress	(204)	557	N.M
Raw materials and consumables used	6,214	6,568	-5.4
Employee benefits expenses	4,323	4,254	+1.6
Depreciation of property, plant and equipment	1,396	1,585	-11.9
Freight and handling charges	563	646	-12.8
Repairs and maintenance	496	465	+6.7
Operating lease expenses	1,142	1,484	-23.0
Utilities	863	964	-10.5
Sub-contractors' costs	306	250	+22.4
Other expenses	2,190	1,622	+35.0
Total costs and expenses	**(17,289)**	**(18,395)**	**-6.0**
Loss from operating activities	**(3,555)**	**(3,311)**	**+7.4**
Finance costs	(374)	(413)	-9.4
Loss before taxation	**(3,929)**	**(3,724)**	**+5.5**
Tax expense	42	(7)	N.M
Loss for the year	**(3,887)**	**(3,731)**	**+4.2**
Other comprehensive income			
Foreign currency translation differences – foreign operation	(5)	(9)	-44.4
Surplus on revaluation of leasehold land and building (nil tax effect)	1,724	4,567	-62.3
Other comprehensive income for the year	**1,719**	**4,558**	-62.3
Total comprehensive (loss)/income for the year	**(2,168)**	**827**	**-362.2**
Loss for the year attributable to:			
Owner of the Company	(3,887)	(3,731)	+4.2

	GROUP		
	Year ended 30/09/14	**Year ended 30/09/13**	**% Change**
	$'000	**$'000**	
Total comprehensive(loss)/income attributable to:			
Owner of the Company	(2,168)	827	-362.2
Loss per share attributable to the Company – in cents Basic and diluted	**(2.25)**	**(2.22)**	**+1.4**

\+ denotes "increase"
\- denotes "decrease"
N.M denotes "not meaningful"

Notes to statement of comprehensive income

Other income for the period is arrived after crediting the following:

	Year ended 30/09/14	**Year ended 30/09/13**
	$'000	**$'000**
Gain in sale of scrap material	190	200
Government grants	127	108

Loss for the period is arrived at after (charging)/crediting the following:

	Year ended 30/09/14	**Year ended 30/09/13**
	$'000	**$'000**
Foreign exchange gain/(loss), net	28	(74)
Impairment loss on trade receivable, net	(80)	(14)
Impairment loss on amount due from associate	(364)	-
(Loss)/Gain on disposal of property, plant and equipment	(322)	-
Interest expense	(374)	(413)
(Write-down)/Reversal of write-down in inventories,net	(120)	(202)

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 years.

	GROUP		COMPANY	
	30/09/14	**30/09/13**	**30/09/14**	**30/09/13**
	$'000	**$'000**	**$'000**	**$'000**
Non-current assets				
Property, plant and equipment	24,881	24,933	24,873	24,918
Investments in subsidiaries	-	-	44	44
	24,881	**24,933**	**24,917**	**24,962**
Current assets				
Inventories	3,170	3,547	3,170	3,547
Trade receivables	3,566	3,805	3,566	3,803
Other receivables and deposits	127	230	127	230
Prepayments	41	35	40	35
Amounts due from associate	-	414	-	414
Cash and bank balances	14,127	101	14,084	80
	21,031	**8,132**	**20,987**	**8,109**
Current liabilities				
Trade payables	2,224	2,007	2,224	2,007
Other payables and accruals	1,608	1,307	1,590	1,295
Amounts due to directors	7,035	5,885	7,035	5,885
Amount due to subsidiary	-	-	63	85
Loans and borrowings	4,140	5,094	4,140	5,094
Finance lease liabilities	32	54	19	48
	(15,039)	**(14,347)**	**(15,071)**	**(14,414)**
Net current assets/(liabilities)	**5,992**	**(6,215)**	**5,916**	**(6,305)**
Long-term liabilities				
Loans and borrowings	-	560	-	560
Finance lease liabilities	12	45	12	31
Provisions	15	15	15	15
	(27)	**(620)**	**(27)**	**(606)**
Net assets	**30,846**	**18,098**	**30,806**	**18,051**
Equity				
Share capital	21,267	20,267	21,267	20,267
Other equity instruments	13,916	-	13,916	-
Translation reserve	(13)	(8)	-	-
Assets revaluation reserve	16,085	14,361	16,085	14,361
Accumulated losses	(20,409)	(16,522)	(20,462)	(16,577)
Attributable to owner of the Company	30,846	18,098	30,806	18,051
Total equity	**30,846**	**18,098**	**30,806**	**18,051**

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

Amount repayable in one year or less, or on demand

As at 30/09/14		As at 30/09/13	
Secured	**Unsecured**	**Secured**	**Unsecured**
$'000	**$'000**	**$'000**	**$'000**
4,172	6,902	5,148	5,725

Amount repayable after one year

As at 30/09/14		As at 30/09/13	
Secured	**Unsecured**	**Secured**	**Unsecured**
$'000	**$'000**	**$'000**	**$'000**
12	-	605	-

Note: Included in unsecured amount repayable is a loan from director of $6,902,000 (2013: $5,725,000).

Details of any collateral

The Group's borrowings for bank overdrafts, trust receipts and term loans were secured on the Company's factory building located at 9 Joo Koon Circle, Singapore. Hire purchase financing was secured by a charge over the respective leased plant and equipment. The amount due to a finance house under loans and borrowings was secured by specific customer debts.

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

	Year ended 30/09/14	Year ended 30/09/13
	$'000	**$'000**
Cash flows from operating activities		
Loss before income tax	(3,929)	(3,724)
Adjustments:		
Depreciation of property, plant and equipment	1,396	1,585
Interest expense	374	413
Loss on disposal of property, plant and equipment	322	-
Operating cash flows before working capital changes	**(1,837)**	**(1,726)**
Decrease in trade and other receivables	342	2,912
Decrease in amount due from associate	414	-
Increase in prepayments	(6)	(4)
Decrease in inventories	377	1,709
Increase/(Decrease) in trade and other payables	491	(587)
Cash (used in)/ generated from operations	**(219)**	**2,304**
Interest paid	(374)	(413)
Tax refund/(paid)	42	(7)
Net cash (used in)/ generated from operating activities	**(551)**	**1,884**
Cash flows from investing activities		
Purchase of property, plant and equipment	(17)	(302)
Net proceeds from disposal of property, plant and equipment	75	-
Net cash generated from/ (used in) investing activities	**58**	**(302)**
Cash flows from financing activities		
Net repayments to trade receivables factoring, net	(294)	(1,188)
Net proceeds from/(repayments to) bills payable, net	261	(1,549)
Repayment of term loans	(585)	(669)
Repayment of finance lease liabilities	(55)	(214)
Proceeds from advances from a director	1,177	1,880
Proceeds from issue of shares	1,000	-
Proceeds from issue of convertible bonds, net	13,916	-
Net cash generated from/(used in) financing activities	**15,420**	**(1,740)**
Net increase/(decrease) in cash and cash equivalents	14,927	(158)
Effect of changes in currency translation	(4)	(1)
Cash and cash equivalents at beginning of financial year	(796)	(637)
Cash and cash equivalents at end of financial year	**14,127**	**(796)**

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.

Group	Share Capital	Other Equity Instruments	Foreign Currency Translation Reserve	Assets Revaluation Reserve	Accumulated Losses	Equity Attributable to Owner of the Company	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 October 2012	**20,267**	**-**	**1**	9,794	**(12,791)**	**17,271**	**17,271**
Total comprehensive income/(loss) for the year	-	-	(9)	4,567	(3,731)	827	827
Balance at 30 September 2013	**20,267**	**-**	**(8)**	**14,361**	**(16,522)**	**18,098**	**18,098**
				-			
Balance at 1 October 2013	**20,267**	**-**	**(8)**	14,361	**(16,522)**	**18,098**	**18,098**
Total comprehensive income/(loss) for the year	-	-	(5)	1,724	(3,887)	(2,168)	(2,168)
Issue of shares	1,000	-	-	-	-	1,000	1,000
Issue of convertible bonds (Note 1)	-	13,916	-	-	-	13,916	13,916
Balance at 30 September 2014	**21,267**	**13,916**	**(13)**	**16,085**	**(20,409)**	**30,846**	**30,846**

Company	Share Capital	Other Equity Instruments	Assets Revaluation Reserve	Accumulated Losses	Total Equity		
	$'000	$'000	$'000	$'000	$'000		
Balance at 1 October 2012	**20,267**	**-**	**9,794**	**(12,880)**	**17,181**		
Total comprehensive income/(loss) for the year	-	-	4,567	(3,697)	870		
Balance at 30 September 2013	**20,267**	**-**	**14,361**	**(16,577)**	**18,051**		
Balance at 1 October 2013	**20,267**	**-**	**14,361**	**(16,577)**	**18,051**		
Total comprehensive income/(loss) for the year	-	-	1,724	(3,885)	(2,161)		
Issue of shares	1,000	-	-	-	1,000		
Issue of convertible bonds (Note 1)	-	13,916	-	-	13,916		
Balance at 30 September 2014	**21,267**	**13,916**	**16,085**	**(20,462)**	**30,806**		

Note 1: Related transaction costs of $83,570 has been deducted from the amount.

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, onus 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 8th May 2014, the Company entered into a subscription agreement with Mr Shi Jiangang and Mr Sam Kok Yin (collectively, the "Subscribers" and each, a "Subscriber"), to issue to the Subscribers non-transferrable convertible bonds due 2016 in aggregate principal amount of S$14,000,000 convertible into an aggregate of 280,000,000 new ordinary shares in the capital of the Company (the "Convertible Bonds"), and to grant to the Subscribers an option to require the Company to allot and issue an aggregate of 210,000,000 new ordinary shares in the capital of the Company at the price of S$0.05 per option share (the "Call Option").

On 8th May 2014, the Company also entered into a placement agreement with Mr Soh Gim Teik, Mr Lum Tain Fore and Ms Tan Hui Har (collectively, the "Placees"), to allot and issue to the Placees an aggregate of up to 20,000,000 new ordinary shares (or an increase of S$1,000,000) in the capital of the Company at the issue price of S$0.05 per placement share.

The completion of the Convertible Bonds issue and the placement took place on 25th September 2014. As at 30 September 2014, the proceeds from the Convertible Bonds and the placement shares had not been used.

As at 30 September 2014 , the total number of issued shares in the Company is 188,000,000 shares (2013: 168,000,000 shares). The number of shares that may be issued on conversion of all the outstanding convertibles (comprising the Convertible Bonds and the Call Option) is 490,000,000 shares (2013: Nil). The 210,000,000 shares arising from the Call Option is exercisable (in whole and not in part only) once by each of the Subscribers at any time during the period of three (3) years commencing on the first anniversary of the date of completion of the Convertible Bonds issue.

Please refer to the circular dated 3rd September 2014 for more details on the Placement and Subscription agreements.

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 preceeding year.

	Year ended 30/09/14	**Year ended 30/09/13**
	'000	**'000**
Total number of issued shares	188,000	168,000

The Company does not have any treasury shares as at 30/09/14 and 30/09/13.

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 or 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 annual financial statements have been applied.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as compared to audited financial statements for the financial year ended 30 September 2013, except for the adoption of new and revised financial reporting standards which became effective for periods beginning on or after 1 October 2013. The adoption of these new and revised standards did not give rise to any material impact on the financial statements.

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 accounting policies adopted are consistent with those of the previous financial year except in the current year, the Group and the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for annual periods beginning on or after 1 October 2013. Changes to the Group's and the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS, which are as follows:

Reference	Description
FRS 1	Presentation of Items of Other Comprehensive Income
FRS 19	Employee Benefits
FRS 107	Disclosures - Offsetting Financial Assets and Financial Liabilities
FRS 113	Fair Value Measurement
Improvements to FRSs 2012	
- Amendments to FRS 1	Presentation of Financial Statements
- Amendments to FRS 16	Property, Plant and Equipment
- Amendments to FRS 32	Financial Instruments: Presentation

The adoption of these new or amended FRSs and INT FRS did not result in substantial changes to the Group's accounting policies or have any significant impact on the consolidated financial statements.

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.

	GROUP	
	Year ended 30/09/14	**Year ended 30/09/13**
Loss from continuing operations per ordinary share for the year attributable to shareholders:		
Basic and fully diluted	(2.25) cents	(2.22) cents
Based on weighted average number of issued shares of the Company	172,931,507	168,000,000

Note: The 210,000,000 ordinary shares arising from the Call Option (pursuant to the Subscription Agreement) have been excluded from the calculation of diluted loss per share for the year ended 30 September 2014 as the Group incurred losses.

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 30/09/14	**As at 30/09/13**	**As at 30/09/14**	**As at 30/09/13**
Net asset value per ordinary share	16.41 cents	10.8 cents	16.39 cents	10.7 cents
Based on number of issued shares of the Company	188,000,000	168,000,000	188,000,000	168,000,000

Note: The Net asset value per ordinary share as at 30/09/14 is derived after including the proceeds from the convertible bonds but without taking into account the additional shares that will be issued upon conversion of the said convertible bonds.

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.

For the financial year ended 30 September 2014, the Group recorded revenues of $13.3 million, which was $1.3 million (8.9%) lower than the $14.6 million recorded in FY2013 mainly due to lower sales arising from the continuing challenges facing the printing industry. Other income for FY2013 was slightly higher than for FY2014 due to recovery of bad debts in FY2013. A net cash used in operations was recorded as the cash inflows generated from working capital changes was not sufficient to offset the loss incurred for the current financial year.

In line with lower revenues, raw materials costs and consumables used, freight and handling charges showed a decrease of $0.4 million in FY2014.

Operating lease expenses was 23.0% lower due to the expiry of a printing machinery lease. Lower utilities rates resulted in lower utilities expenses. The need to meet tighter customer deadlines resulted in increased Sub-contractors costs.

Depreciation of property, plant and equipment decreased by $0.2 million as some of the Group's machinery and equipment were fully depreciated at the start of the financial year. Other expenses increased by $0.6 million mainly due to the Group incurred a loss on disposal of machinery and impairment of amount due from associate during the financial year. There was a $1.7 million increase in property, plant and equipment resulting from the revaluation gain from the property at 9 Joo Koon Circle. This was offset by the current year depreciation of $1.4 million and the disposal of machinery during the financial year.

Decrease in inventories and trade receivables and increase in trade payables were in line with lower sales and better cashflow management.

Amounts due to Directors increased by $1.2m due mainly to additional advances given to the Group for working capital purposes. This resulted in higher interest accrual, other payables and accruals. Loans and borrowings and finance lease liabilities decreased by $1.6 million during the year due to repayments.

The completion of the Placement and Subscription agreements contributed to the increase of $14.0 million in the cash and bank balances at the end of the current financial year. The issuance of 20 million new shares resulted in an increase in the Company's share capital by $1.0 million. The completion of the Subscription agreement resulted in an increase of $13.9 million, net of transaction costs, under Other equity instruments.

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

The Group's performance for the financial year ended 30 September 2014 is consistent with the 1HFY2014 results announcement made on 8 May 2014.

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.

Business conditions remain challenging due to structural difficulties within the printing industry. However, the Group will continue to rationalise its customer base and look for opportunities to improve sales and manage costs. The Group also intends to venture into new business activities and industries, particularly in the sectors of chemicals manufacturing and distribution and/or property investments, construction and related services.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable
Optional:- Dividend Rate (in %)	Not applicable
Par value of shares	Not applicable
Tax Rate	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable
Optional:- Dividend Rate (in %)	Not applicable
Par value of shares	Not applicable
Tax Rate	Not applicable

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the year ended 30 September 2014.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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.

Business segments

	Books & Magazines		Calendars		Annual Reports and Others		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Segment revenues								
External revenue	**10,008**	**13,758**	**511**	**351**	**2,780**	**497**	**13,299**	**14,606**
Total revenue	**10,008**	**13,758**	**511**	**351**	**2,780**	**497**	**13,299**	**14,606**
Segment results	**(2,675)**	**(3,119)**	**(137)**	**(79)**	**(743)**	**(113)**	**(3,555)**	**(3,311)**
Unallocated results							-	-
Loss from operating actitivies							**(3,555)**	**(3,311)**
Finance costs							**(374)**	**(413)**
Loss before income tax							**(3,929)**	**(3,724)**
Income tax							42	(7)
Loss for the year							**(3,887)**	**(3,731)**
Other material items:								
Impairment loss on trade receivable, net	(60)	(13)	(3)	-	(17)	(1)	(80)	(14)
Write-down in inventories, net	(90)	(190)	(5)	(5)	(25)	(7)	(120)	(202)
Capital expenditure	13	285	1	7	3	10	17	302
Depreciation of property, plant and equipment	(1,050)	(1,493)	(54)	(38)	(292)	(54)	(1,396)	(1,585)

Geographical segments

	Asia Pacific		North America		Europe & Africa		Consolidated	
	2014	2013	2014	2013	2014	2013	2014	2013
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Segment revenues								
External revenue	7,438	6,879	1,769	3,039	4,092	4,688	13,299	14,606
Total revenues	7,438	6,879	1,769	3,039	4,092	4,688	13,299	14,606

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

Please refer to item 8.

15. A breakdown of sales.

Group	Latest FY 2014	Latest FY 2013	% Change
	$'000	$'000	
(a) Sales reported for first half year	5,930	7,730	-23.3
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	(2,414)	(2,031)	+18.9
(c) Sales reported for second half year	7,369	6,876	+7.2
(d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	(1,473)	(1,700)	-13.4

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

	Latest Full Year ($'000)	Previous Full Year ($''000)
Ordinary	-	-
Preference	-	-
Total:	-	-

17. 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 mandate has been obtained, a statement to that effect.

The Group does not have a general mandate for interested person transactions.

18. Interested Person Transactions ("IPTs")

	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)	
	FY 2014	FY 2013
	$'000	$'000
Interest expense on amount due to a director - Ong Kwee Cheng	205	152

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current Position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Desmond Chan	48	Son of Charlie Chan	Vice President, Sales and Marketing In-charge of export market of America/Europe 1 June 1998	NIL
Phua Chuan Siang Irwin	44	Son of Ong Kwee Cheng	Information Technology & Administration Manager In-charge of Group's information system, administration and human resource functions 9 April 2003	NIL
Ong Sing Tuan	54	Sibling of Ong Kwee Cheng	General Manager 1 September 2013	NIL

BY ORDER OF THE BOARD

Shi Jiangang
Executive Chairman

28 November 2014

Note:

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

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

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