



A-Smart Holdings Ltd.

(Registration No. 199902058Z)

**UNAUDITED RESULTS FOR THE
FOURTH QUARTER ENDED 31 JULY 2018**

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PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

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

	Note	GROUP 3 MONTHS ENDED			GROUP 12 MONTHS ENDED		
		31 Jul 2018	31 Jul 2017	Increase / (decrease)	31 Jul 2018	31 Jul 2017	Increase / (decrease)
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue		1,866	1,838	1.5%	7,220	7,874	(8.3%)
Other income	1	12	19	(36.8%)	177	120	47.5%
Total Revenue		1,878	1,857	1.1%	7,397	7,994	(7.5%)
Costs and expenses							
Changes in inventories of raw materials and consumables		(40)	328	(112.2%)	59	383	(84.6%)
Raw materials and consumables used		(569)	(723)	(21.3%)	(2,258)	(2,709)	(16.6%)
Staff costs		(805)	(928)	(13.2%)	(3,627)	(3,607)	0.6%
Depreciation		(95)	(65)	46.2%	(327)	(300)	9%
Foreign currency (loss)/gain		(1)	(1)	-	(2)	2	(200.0%)
Other operating expenses	3	(529)	(411)	28.7%	(1,694)	(1,567)	14.6%
Finance costs	2	(19)	(18)	5.6%	(68)	(65)	4.6%
Share of loss of an associated company		(88)	-	(100.0%)	(88)	-	(100.0%)
(Loss)/Profit before taxation		(268)	39	(787.2%)	(608)	131	(564.1%)
Income tax credit	4	3	-	100.0%	5	-	100.0%
Net (loss)/profit for the period		(265)	39	(779.5%)	(603)	131	(560.3%)
Attributable to:							
Equity holders of the parent		(267)	41	(751.2%)	(606)	132	(559.1%)
Non- controlling interests		2	(2)	200.0%	3	(1)	400.0%
Net (loss)/profit for the period		(265)	39	(779.5%)	(603)	131	(560.3%)

1(a)(ii) Breakdown and explanatory notes to the income statement

Note 1 Other income comprises the following:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31-Jul-18	31-Jul-17	31-Jul-18	31-Jul-17
	\$'000	\$'000	\$'000	\$'000
Bad debts recovered	-	-	-	5
Gain on disposal of plant and equipment	-	1	-	1
Government grants	-	5	146	51
Interest income	4	-	4	-
Rental income	2	13	2	20
Miscellaneous income	6	-	25	43
Total	12	19	177	120

Note 2 Finance costs comprise the following:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31-Jul-18	31-Jul-17	31-Jul-18	31-Jul-17
	\$'000	\$'000	\$'000	\$'000
Finance lease liabilities	(19)	(18)	(68)	(65)
Total	(19)	(18)	(68)	(65)

Note 3 Other operating expenses include the following:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31-Jul-18	31-Jul-17	31-Jul-18	31-Jul-17
	\$'000	\$'000	\$'000	\$'000
Marketing expenses	(9)	(14)	(40)	(79)
Legal professional and compliance expenses	(227)	(34)	(336)	(232)
Operating lease expense - office, factories and warehouses	(69)	(30)	(516)	(494)

Note 4 Income tax comprises the following:

	3 MONTHS ENDED		12 MONTHS ENDED	
	31-Jul-18	31-Jul-17	31-Jul-18	31-Jul-17
	\$'000	\$'000	\$'000	\$'000
Current tax - prior years	3	-	5	-

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

	GROUP 3 MONTHS ENDED			GROUP 12 MONTHS ENDED		
	31 Jul 2018	31 Jul 2017	Increase/ (Decrease)	31 Jul 2018	31 Jul 2017	Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Net (loss)/ profit for the period	(265)	39	(779.5%)	(603)	131	(560.3%)
Other comprehensive income / (loss):						
Translation differences relating to financial statements of foreign subsidiary corporations	(14)	13	(207.7%)	(3)	31	(109.7%)
Translation differences arising on monetary items forming part of net investments in foreign operations	(3)	(23)	87.0%	(22)	(34)	35.3%
Reclassification adjustment	-	(30)	100.0%	-	(62)	100.0%
Other comprehensive income/ (loss) for the period	(17)	(40)	57.5%	(25)	(65)	61.5%
Total comprehensive income/ (loss) for the period	(282)	(1)	(28100%)	(628)	66	(1051.5%)
Total comprehensive income/ (loss) attributable to:						
Equity holders of the parent	(284)	30	(1046.7%)	(631)	129	(589.1%)
Non-controlling interests	2	(31)	106.5%	3	(63)	104.8%
Total comprehensive income/ (loss) for the period	(282)	(1)	(28100%)	(628)	66	(1051.5%)

(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

	Group		Company	
	31 Jul 2018	31 Jul 2017	31 Jul 2018	31 Jul 2017
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Plant and equipment	1,714	1,814	75	124
Investments in subsidiary corporations	-	-	6,228	6,010
Investment in an associated company	1,289	1,377	-	-
	3,003	3,191	6,303	6,134
Current assets				
Inventories	554	495	-	278
Trade receivables	1,300	1,090	11	-
Other receivables	1,759	1,928	1,313	1,527
Trade amount due from subsidiary corporations	-	-	479	-
Non-trade amount due from subsidiary corporations	-	-	3,845	3,717
Cash and cash equivalents	7,202	3,665	5,609	2,071
	10,815	7,178	11,257	7,593
Total assets	13,818	10,369	17,560	13,727
Equity attributable to equity holders of the parent				
Share capital	139,159	134,220	139,159	134,220
Other reserves	(110)	(85)	-	-
Accumulated losses	(128,814)	(128,208)	(139,518)	(138,162)
	10,235	5,927	(359)	(3,942)
Non-controlling interests	118	115	-	-
Total equity	10,353	6,042	(359)	(3,942)
Non-current liabilities				
Finance lease liabilities	569	869	10	42
	569	869	10	42
Current liabilities				
Trade and other payables	2,460	2,914	720	1,742
Trade amount due to subsidiary corporations	-	-	113	59
Non-trade amount due to subsidiary corporations	-	-	17,043	15,793
Finance lease liabilities	415	522	33	33
Current income tax liabilities	21	22	-	-
	2,896	3,458	17,909	17,627
Total liabilities	3,465	4,327	17,919	17,669
Total equity and liabilities	13,818	10,369	17,560	13,727

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

Amount repayable in one year or less, or on demand

As at 31 July 2018		As at 31 July 2017	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
415	-	522	-

Amount repayable after one year

As at 31 July 2018		As at 31 July 2017	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
569	-	869	-

Details of any collateral:

Secured borrowings at 31 July 2018 mainly refer to the following:

- a. Finance lease liabilities amounting to S\$0.98 million that are secured by the respective motor vehicles and machinery purchased under finance leases.

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

Note	Group		Group	
	4th Quarter Ended		12 Months Ended	
	31 Jul 2018	31 Jul 2017	31 Jul 2018	31 Jul 2017
	\$'000	\$'000	\$'000	\$'000
Operating activities				
(Loss)/ profit before taxation	(268)	39	(608)	131
Adjustments for:				
Interest expense	19	18	68	65
Interest income	(4)	-	(4)	-
Depreciation	95	65	327	300
Plant and equipment written off	56	-	56	-
Share of loss of an associated company	88	-	88	-
Operating (loss)/ profit before working capital changes	(14)	122	(73)	496
Changes in working capital:				
Inventories	40	(328)	(59)	(383)
Trade and other receivables	305	486	(41)	123
Trade and other payables	(476)	(299)	(454)	(1,838)
Cash used in operations	(145)	(19)	(627)	(1,602)
Income tax refunded	-	-	-	-
Cash flows used in operating activities	(145)	(19)	(627)	(1,602)
Investing activities				
Interest received	4	-	4	-
Purchase of plant and equipment	(63)	(94)	(283)	(157)
Payment for investment in an associated company	-	-	-	(689)
Cash flows used in investing activities	(59)	(94)	(279)	(846)
Financing activities				
Interest paid	(19)	(18)	(68)	(65)
Repayment of finance lease liabilities	(156)	(68)	(407)	(443)
(Expenses)/Proceeds from issuance of shares	(20)	-	4,939	3,919
Cash flows (used in)/ generated from financing activities	(195)	(86)	4,464	3,411
Net (decrease)/ increase in cash and cash equivalents	(399)	(199)	3,558	963
Cash and cash equivalents at beginning of the period	7,615	3,902	3,665	2,768
Effects of currency translation on cash and cash equivalents	(14)	(38)	(21)	(66)
Cash and cash equivalents at end of the period	7,202	3,665	7,202	3,665

Explanatory notes to the consolidated cash flow statement

Note A. Cash and cash equivalents comprise the following:

	31 Jul 2018	31 Jul 2017
	\$'000	\$'000
Cash at bank and in hand	2,702	3,665
Fixed deposits	4,500	-
Cash and cash equivalents in the cash flow statement	<u>7,202</u>	<u>3,665</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization 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 for the Group

	Attributable to equity holders of the Company						
	Share Capital \$'000	Currency translation reserve \$'000	Share option reserve \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 August 2016	130,301	(82)	57	(128,397)	1,879	178	2,057
Total comprehensive income / (loss) for the period	-	3	-	21	24	(33)	(9)
Issuance of ordinary shares pursuant to share placement	3,970	-	-	-	3,970	-	3,970
At 31 October 2016	134,271	(79)	57	(128,376)	5,873	145	6,018
Total comprehensive (loss) / income for the period	-	(11)	-	27	16	2	18
Share options lapsed	-	-	(3)	3	-	-	-
Expenses on issuance of ordinary shares pursuant to share placement	(51)	-	-	-	(51)	-	(51)
At 31 January 2017	134,220	(90)	54	(128,346)	5,838	147	5,985
Total comprehensive profit for the period	-	15	-	45	60	-	60
Share options lapsed	-	-	(54)	54	-	-	-
At 30 April 2017	134,220	(75)	-	(128,247)	5,898	147	6,045
Total comprehensive (loss) / income for the period	-	(10)	-	39	29	(32)	(3)
At 31 July 2017	134,220	(85)	-	(128,208)	5,927	115	6,042
At 1 August 2017	134,220	(85)	-	(128,208)	5,927	115	6,042
Total comprehensive loss for the period	-	(3)	-	(246)	(249)	(3)	(252)
At 31 October 2017	134,220	(88)	-	(128,454)	5,678	112	5,790
Total comprehensive loss for the period	-	4	-	(132)	(128)	(8)	(136)
Issuance of ordinary shares pursuant to share placement	4,990	-	-	-	4,990	-	4,990
At 31 January 2018	139,210	(84)	-	(128,586)	10,540	104	10,644
Total comprehensive profit for the period	-	2	-	39	41	1	42
Expenses on issuance of ordinary shares pursuant to share placement	(31)	-	-	-	(31)	-	(31)
At 30 April 2018	139,179	(82)	-	(128,547)	10,550	105	10,655
Total comprehensive loss for the period	-	(28)	-	(267)	(295)	13	(282)
Expenses on issuance of ordinary shares pursuant to share placement	(20)	-	-	-	(20)	-	(20)
At 31 July 2018	139,159	(110)	-	(128,814)	10,235	118	10,353

Statement of Changes in Equity for the Company

	Attributable to equity holders of the Company			Total equity \$'000
	Share Capital \$'000	Share option reserve \$'000	Accumulated losses \$'000	
At 1 August 2016	130,301	57	(121,233)	9,125
Total comprehensive loss for the period	-	-	(334)	(334)
Issuance of ordinary shares pursuant to share placement	3,970	-	-	3,970
At 31 October 2016	134,271	57	(121,567)	12,761
Total comprehensive loss for the period	-	-	(255)	(255)
Expenses on issuance of ordinary shares pursuant to share placement	(51)	-	-	(51)
Share options lapsed	-	(3)	3	-
At 31 January 2017	134,220	54	(121,819)	12,455
Total comprehensive loss for the period	-	-	(311)	(311)
Reversal of expenses incurred on share placement exercise	-	(54)	54	-
At 30 April 2017	134,220	-	(122,076)	12,144
Total comprehensive loss for the period	-	-	(16,086)	(16,086)
At 31 July 2017	134,220	-	(138,162)	(3,942)
At 1 August 2017	134,220	-	(138,162)	(3,942)
Total comprehensive loss for the period	-	-	(372)	(372)
At 31 October 2017	134,220	-	(138,534)	(4,314)
Total comprehensive loss for the period	-	-	(396)	(396)
Issuance of ordinary shares pursuant to share placement	4,990	-	-	4,990
At 31 January 2018	139,210	-	(138,930)	280
Total comprehensive loss for the period	-	-	(335)	(335)
Expenses on issuance of ordinary shares pursuant to share placement	(31)	-	-	(31)
At 30 April 2018	139,179	-	(139,265)	(86)
Total comprehensive loss for the period	-	-	(253)	(253)
Expenses on issuance of ordinary shares pursuant to share placement	(20)	-	-	(20)
At 31 July 2018	139,159	-	(139,518)	(359)

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. 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.**

There were no movements in the Company's share capital for the fourth quarter ended 31 July 2018.

As at 31 July 2018, there were no subsidiary holdings.

Warrants

On 20 July 2015, the Company issued 2,200,000,000 warrants each carrying the right to subscribe for one new ordinary share at the exercise price of S\$0.07 per new share. Pursuant to the Company's share consolidation exercise in February 2016 (every forty (40) ordinary shares consolidated into 1 (one) ordinary share), the 1,900,000,000 warrants that were outstanding as at 2 February 2016 were accordingly consolidated into 47,500,000 warrants and the exercise price of the warrants adjusted from S\$0.07 to S\$0.28 per new share.

At 31 July 2018, there were 36,786,000 warrants that can be converted into 36,786,000 ordinary shares at the exercise price of S\$0.28 per new share (4Q2017: 36,786,000 warrants).

No share warrants were exercised in 4Q2018 (4Q2017: Nil).

- 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 31 July 2018 was 119,776,362 (31 July 2017: 112,626,362). There were no treasury shares held by the Company at 31 July 2018.

- 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.

- 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.**

During the financial period, there was no transaction pertaining to subsidiary holdings.

- 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 of the Company.

- 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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 July 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 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 for the year ended 31 July 2017, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 August 2017.

Financial Reporting Standards ("FRS") which became effective for the Group's financial year beginning 1 August 2017 are:

Amendments to FRS 7 Statement of Cash Flows
Amendments to FRS 12 Income Taxes
Amendments to FRS 112 Disclosure of Interests in Other Entities

The Group does not expect any significant financial impact on the financial statements from the adoption of these amendments to FRSs.

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

Earnings per ordinary share of the Group, after deducting any provision for preference dividends:	Group			
	4th Quarter (3 Months)		Twelve Months (12 Months)	
	31 Jul 2018	31 Jul 2017	31 Jul 2018	31 Jul 2017
6(a) Based on the weighted average number of ordinary shares on issue (in cents)	(0.22)	0.04	(0.52)	0.12
Weighted average number of ordinary shares (in million)	119.78	112.60	116.19	111.20
6(b) On a fully diluted basis (in cents)	(0.17)	0.03	(0.39)	0.09
Weighted average number of ordinary shares (in million)	156.56	147.90	152.98	147.90

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	
	31 Jul 2018	31 Jul 2017	31 Jul 2018	31 Jul 2017
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	8.64	5.36	(0.30)	(3.50)

Net asset value per ordinary share as at 31 July 2018 is calculated based on the existing issued share capital of 119,776,362 ordinary shares outstanding as at 31 July 2018 (31 July 2017: 112,626,362).

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

INCOME STATEMENT

Overview

The Group recorded a net loss of S\$265,000 for 4Q2018, mainly due to lower revenue from its Print segment, the share of loss of an associated company and higher professional fees incurred on its new proposed projects for Timor-Leste.

Revenue

Business Activity	4th Quarter ended (3 months)				Full year ended (12 months)			
	31 Jul 18	31 Jul 17	+ / (-)	+ / (-)	31 Jul 18	31 Jul 17	+ / (-)	+ / (-)
	S\$'mil	S\$'mil	S\$'mil	%	S\$'mil	S\$'mil	S\$'mil	%
Printing	1.68	1.73	(0.05)	(2.9%)	6.91	7.66	(0.75)	(9.8%)
Other revenue	0.18	0.11	0.07	63.6%	0.31	0.21	0.10	47.6%
Total revenue	1.86	1.84	0.02	1.1%	7.22	7.87	(0.65)	(8.3%)

The Group recorded Printing Revenue of S\$1.7 million in 4Q2018, a decrease of 2.9% compared with the previous corresponding quarter. The printing industry remained challenging in 4Q2018, as new technologies from the digital print segment replaced a significant portion of the demand in the traditional offset printing segment, the Group has upgraded its machinery in order to gain a higher market share for specialised printing which commands a higher profit margin.

The Group's technology segment commenced the sale of Google home products in 4Q2018 which led to the increase in other revenue of S\$0.07 million in 4Q2018 compared with 4Q2017.

Raw materials and consumables used and changes in inventories of finished goods and work-in-progress

Total raw materials and consumables used and changes in inventories in 4Q2018 was \$0.61 million, a 54.2% increase compared with 4Q2017, as higher levels of project specific materials were expensed off in 4Q2018.

Other income

Other income for 4Q2018 was S\$12,000 compared with S\$19,000 in 4Q2017, mainly due to the absence of government grants in 4Q2018.

Staff costs

There was no significant variance in staff costs for 4Q2018 compared with 4Q2017.

Depreciation

Depreciation charges for 4Q2018 were higher compared to 4Q2017 due to the addition of new plant and equipment in FY2018.

Other operating expenses

Other operating expenses were comparatively higher in 4Q2018 by 28.7% mainly due to higher legal and professional fees incurred in 4Q2018 compared to 4Q2017. The legal and professional fees incurred in 4Q2018 were mainly incidental costs for the Company's proposed new projects in Timor-Leste.

Share of loss of an associated company

The Group equity accounted for its share of the results of the associated company, Sheng Siong (China) Supermarket Co., Ltd, in 4Q2018. The associated company made a loss for its first store in China in the first year of operations as expected. The store is situated in a new mall and shoppers' traffic is expected to increase gradually when all the shops in the mall are fully opened.

Taxation

There was no taxation for the Group's current year results as the profitable companies within the Group had tax losses from prior years available for set off against the current year's taxable income. Income tax credit was due to over-provision of tax in prior years.

STATEMENT OF FINANCIAL POSITION

Plant and equipment

The Group's plant and equipment was S\$1.71 million as at 31 July 2018 compared with S\$1.80 million as at 30 April 2018, mainly due to the depreciation charge in 4Q2018.

Investment in an associate company

The investment in an associated company refers to the 10% interest that the Group holds in the joint venture company, Sheng Siong (China) Supermarket Co., Ltd, which commenced operations in late October 2017.

Inventories

There was no significant movement in the level of inventories for the fourth quarter of FY2018 (Q4FY2018).

Trade and other receivables

Trade receivables decreased by S\$0.12 million from S\$1.42 million as at 30 April 2018 to S\$1.30 million as at 31 July 2018 mainly due to the increase in receipts from customers.

Other receivables decreased from S\$1.94 million as at 30 April 2018 to S\$1.76 million as at 31 July 2018 mainly due to the refund of rental deposit for a discontinued retail printing store and repayment of advances from other debtor.

Trade and other payables

Trade and other payables decreased from S\$2.9 million as at 30 April 2018 to S\$2.5 million as at 31 July 2018 mainly due to the settlement of the Group's obligations as its operating cash flow improves.

Borrowings

The Group's borrowings consist only of finance lease obligations. Instalment payments made during Q4FY2018 were partially offset by new finance lease obtained during the same period.

REVIEW OF CASH FLOWS

Operating loss before working capital changes was almost breakeven in Q4FY2018. Cash out-flows due to changes in working capital was \$0.14 million mainly due to the decrease in payables. The above contributed to net cash flows used in operating activities of \$0.14 million in Q4FY2018.

Net cash flows used in investing activities was \$0.06 million mainly due to the purchase of plant and equipment in Q4FY2018.

Net cash flows used in financing activities was \$0.20 million mainly caused by the repayment of finance lease liabilities in Q4FY2018.

Aside from the above, there are no other material factors that affected the results, cash flow and the statement of financial position of the Group during the current quarter reported on.

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

The printing industry landscape remains challenging due to the advent of digital media and therefore the Group continues to expand the client base of the printing business by enhancing the products through the acquisition of modern machines with special features.

Leveraging on Singapore's Smart Nation vision to improve the country's quality of life through the use of smart digital technologies, the Group has maintained diversification towards smart technologies for urban living. We have recently partnered Google for the launch of Google Home, an artificial intelligence device, in Singapore. The Group is currently working with real estate developers and contractors to establish Google Home and Google Home Mini at local housing and property development projects. The Group is also collaborating with public organisations and private corporations to conduct educational programmes and the sale of our products focused on smart, intelligent living.

The Group's proposed property development and real estate business in Timor-Leste is in progress, while commencement of construction was delayed by their recent parliamentary elections.

Following the opening of the first Sheng Siong supermarket in Kunming, China, the associated company is maintaining the strategy of gradually expanding the chain of supermarket stores, while promoting the "Sheng Siong" brand locally.

The Group's new business segments have just commenced sales and we remain confident that the Group's restructuring is relevant for positive contribution. Our Group will continue to leverage on viable opportunities to diversify its revenue base in a sustainable manner and provide additional income streams for enhancing its business performance.

11 Dividend

(a) Current financial period reported on

Any dividend declared for the present financial period?

No.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the previous corresponding period?

No.

(c) Date payable

Not Applicable.

- (d) **Book closure date**
Not Applicable.

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

No dividend has been declared or recommended for the current financial period.

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.

There is no interested person transaction which is valued at more than S\$100,000 during the year under review and the company has not obtained any general mandate pursuant to Rule 920 of the Listing Manual.

14 Use of proceeds from rights issue and shares placement

- a) Further to the disclosure on Use of Proceeds in page 14 of the Company's results announcement for 3Q2018, the Company wishes to update the shareholders that the proceeds from the Share Placement of 5,714,282 shares on 21 October 2016 have been utilised as follows:

	Use of Proceeds from Share Placement (S\$'000)
Balance proceeds from the last announced	1,567
<u>Less utilisation:</u>	
▪ Working capital - professional fees for new projects	150
Total net proceeds balance from the Placement	1,417

- b) The Company raised net proceeds of S\$4,939,000 from a Share Placement of 7,150,000 shares on 9 January 2018 and to-date the net proceeds have not been utilised.

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 hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16 Segmental 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

Revenue and expenses

	Print media		Smart technologies		Corporate and others		Eliminations		Consolidated Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	6,910	7,663	107	-	203	211	-	-	7,220	7,874
Inter-segment sales	92	70	-	-	453	-	(545)	(70)	-	-
Total revenue	7,002	7,733	107	-	656	211	(545)	(70)	7,220	7,874
Segment results	1,175	1,413	(119)	-	(1,450)	(1,214)	(58)	(3)	(452)	196
Finance costs									(68)	(65)
Share of loss of an associated company									(88)	-
(Loss)/ Profit before taxation									(608)	131
Income tax credit									5	-
Net (loss)/ profit for the year									(603)	131

Asset and liabilities

	Print media		Smart technologies		Investment		Corporate and others		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment assets	3,362	3,317	170	65	1,289	1,377	1,795	1,945	6,616	6,704
Unallocated assets									7,202	3,665
Total assets									13,818	10,369
Segment liabilities	1,038	1,476	7	8	683	692	732	737	2,460	2,913
Income tax liabilities									21	22
Deferred tax liabilities									-	-
Unallocated liabilities									984	1,392
Total liabilities									3,465	4,327

Other segment information

	Print media		Smart technologies		Corporate and others		Eliminations		Consolidated Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure	283	93	-	-	-	64	-	-	283	157
Depreciation of plant and equipment	278	257	-	-	49	43	-	-	327	300
Interest expense	63	60	-	-	5	5	-	-	68	65
Plant and equipment written off	56	-	-	-	-	-	-	-	56	-
Gain on disposal of plant and equipment	-	1	-	-	-	-	-	-	-	1
Impairment loss on other receivables	-	-	-	-	-	-	-	-	-	-

Geographical Segments	Revenue from external customers		Segment assets		Capital expenditure	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Singapore	7,212	7,870	13,571	10,192	283	157
Malaysia	-	-	-	-	-	-
China and Hong Kong	-	-	-	-	-	-
Others	8	4	247	177	-	-
	7,220	7,874	13,818	10,369	283	157

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

Please refer to item 8 of this announcement.

18 Breakdown of sales

	Group		
	Consolidated Total		
	1 Aug 2017 to 31 Jul 2018	1 Aug 2016 to 31 Jul 2017	Increase/ (decrease)
	\$'000	\$'000	
(a) Sales reported for first half year	3,528	3,986	(11.5%)
(b) Operating (loss)/ profit after tax before deducting minority interests reported for the first half year	(379)	48	(889.6%)
(c) Sales reported for second half year	3,692	3,888	(5.0%)
(d) Operating (loss)/ profit after tax before deducting minority interests reported for the second half year	(224)	83	(369.9%)

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

Not applicable. None.

20 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Not applicable. None.

BY ORDER OF THE BOARD

Lim Huan Chiang
Executive Director and Chief Executive Officer
27 September 2018