



FOR IMMEDIATE RELEASE

IPS posts 7.8% revenue growth to S\$50.7 million for FY2014 driven by higher sales from core business

- **Net loss of S\$10.5 million mainly attributed to S\$8.4 million loss from Avantouch including one-off expenses**
- **Cessation of Avantouch's operations and prudent cost management will improve future bottom line performance**

Singapore, 26 February 2015 – Catalyst-listed International Press Softcom Limited (the “Company” or “IPS” and together with its subsidiaries, the “Group”), a leading provider of supply-chain solutions, print and media products, announced today its results for the twelve months ended 31 December 2014 (“FY2014”).

FINANCIAL SNAPSHOT

Description (S\$'000)	FY2014	FY2013	% change
Turnover	50,661	47,004	7.8
Loss, net of tax	(10,460)	(1,429)	632.0
Loss attributable to owners of the Company	(6,776)	(635)	n.m.
Loss per share (cents)*	(1.54)	(0.14)	n.m.

The Group's turnover increased 7.8% year-on-year (“yoy”) to S\$50.7 million in FY2014 mainly due to improved software contract manufacturing (“SCM”) sales. Conversely, the Group's loss, net of tax, increased 632.0% yoy to S\$10.5 million in FY2014 mainly due to a loss of S\$8.4 million incurred from partially owned subsidiary, Avantouch Systems Pte Ltd (“Avantouch”). The S\$8.4 million loss consists of one-off expenses of S\$5.0 million and a S\$0.6 million goodwill impairment, following the complete cessation of Avantouch at the end of FY2014.

For FY2014, the SCM business accounted for 94.6% of the Group's overall turnover, while the Group's electronic marketing business, Avantouch, accounted for the remaining 5.4%.

GEOGRAPHICAL PERFORMANCE

Description (S\$'000)	FY2014	FY2013	% Change
Singapore	15,254	14,004	8.9
Malaysia	4,020	4,486	-10.4
People's Republic of China	13,134	14,827	-11.4
India	12,124	9,181	32.1
Australia	3,511	2,935	19.6
Vietnam	2,618	1,571	66.6
Total	50,661	47,004	7.8

The overall improvement to turnover was a result of operations in Singapore, Australia, India and Vietnam.

- Turnover from the Group's Singapore operations grew 8.9% yoy to S\$15.3 million attributed mainly to an increase in sales to a major customer serving the China market.
- Turnover from the Group's India operations rose 32.1% yoy to S\$12.1 million driven by new and increased orders from customers.
- Turnover from the Group's Australia operations increased 19.6% yoy to S\$3.5 million due to a growth in new and current orders from customers.
- Turnover for the Group's Vietnam operations increased 66.6% yoy to S\$2.6 million in FY2014 due to the addition of new customers.

The increase to the turnover was offset by the following:

- Turnover from the Group's Malaysia operations decreased 10.4% yoy to S\$4.0 million as a result of challenging economic conditions.
- Turnover from the Group's China operations declined 11.4% yoy to S\$13.1 million due to a weakening in demand for print and media products and also due to the cessation of Avantouch's operations.

“Despite adopting various measures to grow Avantouch, the business remained unprofitable. As a result, we took the initiative to scale down its operations in October 2014 and have ceased all operations by end of FY2014. Going forward, we remain optimistic about the growth prospects for our Australia, Vietnam and India businesses that contribute positively to our financials. Supported by our cash balance of S\$7.3 million, we will continue to exercise prudent cost and cash flow management in order to mitigate any business uncertainties while working towards improving our financial performance.”

About International Press Softcom Limited

International Press Softcom Limited (IPS) was incorporated in Singapore on 30 August 1972. The Company is a leading provider of supply chain solutions, print and media products which include material procurement, inventory management, logistics management and order fulfillment; printing, packaging and software replication.

IPS supplies to global technology companies and operates from facilities located in Singapore, Malaysia, China, Australia, India and Vietnam with strategic alliances in the US and Europe. Its list of customers includes OEMs such as Apple Computer, Dell, Hewlett Packard, and independent software vendors like Microsoft.

IPS has been listed on the Catalist Board (formerly known as SESDAQ) under the Singapore Exchange since 13 August 1999.

Issued for and on behalf of International Press Softcom Limited
By Financial PR Pte Ltd

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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