



XPRESS HOLDINGS LTD

(Registration No. 199902058Z)

**UNAUDITED RESULTS FOR THE
SECOND QUARTER ENDED 31 JANUARY 2015**

TABLE OF CONTENTS

Item No.	Description	Page No.
1(a)(i)	Income Statement	1
1(a)(ii)	Explanatory Notes to Income Statement	2
1(a)(iii)	Statement of Comprehensive Income	3
1(b)(i)	Statement of Financial Position	4
1(b)(ii)	Group Borrowings	5
1(c)	Statement of Cash Flows	6 – 7
1(d)(i)	Statements of Changes in Equity	8
1(d)(ii)-(iv)	Share Capital	9
2 & 3	Audit Statement	9
4 & 5	Accounting Policies	9 - 10
6	Earnings Per Share	10
7	Net Asset Value Per Share	11
8	Group Performance Review	11 – 13
9 & 10	Prospects	13 - 14
11 & 12	Dividend	14
13	Interested Person Transactions	14
14	Negative Assurance Confirmation on Interim Financial Results Under Rule 705(4) of the Listing Manual	15

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

	GROUP 3 MONTHS ENDED			GROUP 6 MONTHS ENDED		
	31 Jan 2015	31 Jan 2014	Increase / (decrease)	31 Jan 2015	31 Jan 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	4,099	4,770	(14.1%)	6,596	9,454	(30.2%)
Other income	234	205	14.1%	719	370	94.3%
Total Revenue	4,333	4,975	(12.9%)	7,315	9,824	(25.5%)
Costs and expenses						
Changes in inventories of finished goods and work-in-progress	(231)	198	N.M.	(165)	110	N.M.
Raw materials and consumables used	(578)	(1,111)	(48.0%)	(1,260)	(2,437)	(48.3%)
Staff costs	(1,780)	(2,187)	(18.6%)	(3,140)	(3,667)	(14.4%)
Depreciation	(486)	(573)	(15.2%)	(753)	(1,032)	(27.0%)
Foreign currency gains	66	614	(89.3%)	510	794	(35.8%)
Other operating expenses	(1,095)	(1,369)	(20.0%)	(2,138)	(2,260)	(5.4%)
Finance costs	(15)	(109)	(86.2%)	(29)	(274)	(89.4%)
Profit before tax	214	438	(51.1%)	340	1,058	(67.9%)
Income tax	-	-	N.M.	-	(20)	N.M.
Net profit for the period	214	438	(51.1%)	340	1,038	(67.2%)
Attributable to:						
Equity holders of the parent	214	442	(51.6%)	340	1,042	(67.4%)
Non controlling interests	-	(4)	N.M.	-	(4)	N.M.
Net profit for the period	214	438	(51.1%)	340	1,038	(67.2%)

N.M. : Not meaningful

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

Note 1 Other income comprises the following:

Note	3 MONTHS ENDED			6 MONTHS ENDED		
	31 Jan 2015	31 Jan 2014	Increase / (decrease)	31 Jan 2015	31 Jan 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Rental income	17	188	(91.0%)	51	310	(83.5%)
Interest income on bank deposits	-	13	N.M.	-	19	N.M.
Gain on disposal of PPE	217	-	N.M.	668	-	N.M.
Miscellaneous income	-	4	N.M.	-	41	N.M.
Total	234	205	14.1%	719	370	94.3%

Note 2 Finance costs comprise the following:

Note	3 MONTHS ENDED			6 MONTHS ENDED		
	31 Jan 2015	31 Jan 2014	Increase / (decrease)	31 Jan 2015	31 Jan 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Interest incurred for:						
- overdrafts	(7)	(17)	(58.8%)	(17)	(40)	(57.5%)
- term loans	(5)	(45)	(88.9%)	(5)	(181)	(97.2%)
Hire purchase interest	(3)	(47)	(93.6%)	(7)	(53)	(86.8%)
Total	(15)	(109)	(86.2%)	(29)	(274)	(89.4%)

Note 3 Income tax comprises the following:

Note	3 MONTHS ENDED			6 MONTHS ENDED		
	31 Jan 2015	31 Jan 2014	Increase / (decrease)	31 Jan 2015	31 Jan 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Current tax- current year	-	-	N.M.	-	-	N.M.
Current tax- prior years	-	-	N.M.	-	(20)	N.M.
	-	-		-	(20)	

Note: N.M. – Not meaningful

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 6 MONTHS ENDED		
	31 Jan 2015	31 Jan 2014	Increase/ Decrease	31 Jan 2015	31 Jan 2014	Increase/ Decrease
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit/(loss) for the period	214	438	(51.1%)	340	1,038	(67.2%)
Other comprehensive income:						
Translation differences relating to financial statements of foreign subsidiaries	1,221	(2,671)	N.M.	1,052	(2,955)	N.M.
Translation differences arising on monetary items forming part of net investments in foreign operations	0	(707)	N.M.	0	(80)	N.M.
Other comprehensive income for the period	1,221	(3,378)	N.M.	1,052	(3,035)	N.M.
Total comprehensive income for the period	1,435	(2,940)	N.M.	1,392	(1,997)	N.M.
Total comprehensive income attributable to:						
Equity holders of the parent	1,438	(2,934)	N.M.	1,392	(1,993)	N.M.
Non-controlling interests	(3)	(6)	(50.0%)	-	(4)	N.M.
Total comprehensive income for the period	1,435	(2,940)	N.M.	1,392	(1,997)	N.M.

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

	Group		Company	
	31 Jan 2015	31 Jul 2014	31 Jan 2015	31 Jul 2014
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Plant and equipment	8,078	8,069	270	309
Investments in subsidiaries	-	-	4,000	4,000
	<u>8,078</u>	<u>8,069</u>	<u>4,270</u>	<u>4,309</u>
Current assets				
Inventories	1,669	1,504	-	-
Trade receivables	8,901	5,359	-	-
Other receivables	4,757	4,216	1,518	770
Non-trade amount due from subsidiaries	-	-	3,380	229
Cash and cash equivalents	622	649	-	3
	<u>15,949</u>	<u>11,728</u>	<u>4,898</u>	<u>1,002</u>
Total assets	<u>24,027</u>	<u>19,797</u>	<u>9,168</u>	<u>5,311</u>
Equity attributable to equity holders of the parent				
Share capital	117,908	117,908	117,908	117,908
Other reserves	(9,190)	(10,242)	706	706
Accumulated profits	(107,270)	(107,610)	(118,188)	(117,965)
	<u>1,448</u>	<u>56</u>	<u>426</u>	<u>649</u>
Non-controlling interests	183	183	-	-
Total equity	<u>1,631</u>	<u>239</u>	<u>426</u>	<u>649</u>
Non-current liabilities				
Obligations under finance lease	686	716	220	249
Deferred tax liabilities	20	20	20	20
	<u>706</u>	<u>736</u>	<u>240</u>	<u>269</u>
Current liabilities				
Trade and other payables	17,666	14,587	5,923	4,329
Non-trade amount due to subsidiaries	-	-	2,362	-
Interest-bearing borrowings	3,458	3,643	153	-
Obligations under finance lease	551	577	62	62
Current tax payable	15	15	2	2
	<u>21,690</u>	<u>18,822</u>	<u>8,502</u>	<u>4,393</u>
Total liabilities	<u>22,396</u>	<u>19,558</u>	<u>8,742</u>	<u>4,662</u>
Total equity and liabilities	<u>24,027</u>	<u>19,797</u>	<u>9,168</u>	<u>5,311</u>

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 Jan 2015		As at 31 Jul 2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
2,630	1,379	2,681	1,539

Amount repayable after one year

As at 31 Jan 2015		As at 31 Jul 2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
686	-	716	-

Details of any collateral:

Secured borrowings at 31 January 2015 mainly refer to the following:

- a. Finance lease liabilities amounting to S\$1.24 million that are secured by the respective motor vehicles and machinery purchased under finance leases;
- b. Revolving loan of S\$0.65 million and bank overdraft of S\$1.42 million that were secured by fixed deposits of S\$0.54 million.

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	
		2nd Quarter Ended		6 Months Ended	
		31 Jan 2015	31 Jan 2014	31 Jan 2015	31 Jan 2014
		\$'000	\$'000	\$'000	\$'000
Operating activities					
Profit before taxation		214	438	340	1,058
Adjustments for:					
Interest expense	2	15	109	29	274
Interest income	1	-	(13)	-	(19)
Depreciation of plant and equipment		486	573	753	1,032
Loss/(gain) on disposal of plant and equipment, net		(218)	22	(668)	22
Operating profit before working capital changes		497	1,129	454	2,367
Changes in working capital:					
Inventories		(99)	802	(165)	(110)
Trade and other receivables		(3,190)	1,023	(4,083)	1,590
Trade and other payables		2,181	(3,222)	3,079	(4,986)
Cash generated from operations		(611)	(268)	(715)	(1,139)
Income tax paid		-	-	-	(20)
Cash flows (use in) / generated from operating activities		(611)	(268)	(715)	(1,159)
Investing activities					
Interest received		-	13	-	19
Purchase of plant and equipment		-	(1,731)	(312)	(2,237)
Proceeds from disposal of plant and equipment, net		228	4	678	4
Cash flows generated from / (used in) investing activities		228	(1,714)	366	(2,214)
Financing activities					
Interest paid		(15)	(109)	(29)	(274)
Repayment of finance lease instalments		(20)	(69)	(56)	(99)
Proceeds from borrowings		-	-	-	1,500
Repayments of borrowings		(218)	(2,400)	(390)	(2,400)
Fixed deposits pledged		-	-	-	-
Proceeds from issue of shares		-	12,818	-	12,818
Cash flows generated from financing activities		(253)	10,240	(475)	11,545
Foreign currency translation adjustments		579	(2,956)	737	(2,339)
Net increase in cash and cash equivalents		(57)	5,302	(87)	5,833
Cash and cash equivalents at beginning of the period		(1,285)	(2,739)	(1,255)	(3,270)
Cash and cash equivalents at end of the period	A	(1,342)	2,563	(1,342)	2,563

Explanatory notes to the consolidated cash flow statement

Note A. Cash and cash equivalents comprise the following:

	31 Jan 2015	31 Jan 2014
	\$'000	\$'000
Cash at bank and in hand	82	2,722
Fixed deposits	540	7,287
Cash and cash equivalents	622	10,009
Bank overdrafts (secured)	(1,424)	(3,199)
Fixed deposits pledged	(540)	(4,247)
Cash and cash equivalents in the cash flow statement	(1,342)	2,563

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	Fair value reserve	Currency translation reserve	Share option reserve	Retained earnings	Total	Non-controlling interests	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 August 2013	105,090	5,717	(12,218)	706	41,950	141,245	184	141,429
Total comprehensive income for the period	-	-	(3,035)	-	1,042	(1,993)	(4)	(1,997)
Issued shares	12,818	-	-	-	-	12,818	-	12,818
At 31 January 2014	117,908	5,717	(15,253)	706	42,992	152,070	180	152,250
At 1 August 2014	117,908	-	(10,948)	706	(107,610)	56	183	239
Total comprehensive income for the period	-	-	1,052	-	340	1,392	-	1,392
At 31 January 2015	117,908	-	(9,896)	706	(107,270)	1,448	183	1,631

Statement of Changes in Equity for the Company

	Attributable to equity holders of the Company				
	Share capital	Fair value reserve	Share option reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 August 2013	105,090	5,622	706	10,070	121,488
Total comprehensive income for the period	-	-	-	343	343
Issued shares	12,818	-	-	-	12,818
At 31 January 2014	117,908	5,622	706	10,413	134,649
At 1 August 2014	117,908	-	706	(117,965)	649
Total comprehensive income for the period	-	-	-	(223)	(223)
At 31 January 2015	117,908	-	706	(118,188)	426

- 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.**

There were no movements in the Company's share capital for the financial period ended 31 January 2015.

Share Options

The Company has a share option scheme known as Xpress Holdings Executives' Share Option Scheme 2001 which was approved by members of the Company at the Extraordinary General Meeting held on 25 June 2001.

At 31 January 2015, there were 8,500,000 (31 January 2014: 13,100,000) outstanding share options which would entitle the holders to subscribe for a total of 8,500,000 ordinary shares of the Company (31 January 2014: 13,100,000) at a weighted average exercise price of S\$0.114 (31 January 2014: S\$0.118) per share.

The 8,500,000 share options outstanding at 31 January 2015 are approximately 0.35% of the share capital consisting of 2,447,927,123 issued shares at 31 January 2015.

- 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 January 2015 was 2,447,927,123 (31 January 2014: 2,447,927,123). There were no treasury shares held by the Company at 31 January 2015.

- 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 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**

The Group has applied the same accounting policies and methods of computation in the financial information for the current financial period as compared with those used in the audited financial statements for the financial year ended 31 July 2014.

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 adopted all the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 August 2013. The adoption of these new/revised FRS and INT FRS did not result in changes to the group's and the company's accounting policies and has no material effect on the amounts reported for the current or prior reporting periods.

Financial Reporting Standards ("FRS") which became effective for the Group's financial period beginning 1 August 2014 are:

- Revised FRS 27 Separate Financial Statements
- Revised FRS 28 Investments in Associates and Joint Ventures
- FRS 110 Consolidated Financial Statements
- FRS 111 Joint Arrangements
- FRS 112 Disclosure of Interest in Other Entities
- FRS 32 Offsetting Financial Assets and Financial Liabilities
- FRS 110, FRS 111 and FRS 112 Amendments to the transition guidance of FRS 110 Consolidated Financial Statements, FRS 111 Joint Arrangements and FRS 112 Disclosure of Interests in Other Entities
- FRS 110, FRS 112 and FRS 27 Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities
- FRS 36 Amendments to FRS 36: Recoverable Amount Disclosures for Non-financial Assets
- FRS 39 Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting
- Improvements to FRSs (January 2014)
- Improvements to FRSs (February 2014)

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 (in cents):	Group			
	2nd Quarter (3 Months)		First Half (6 Months)	
	31 Jan 2015	31 Jan 2014	31 Jan 2015	31 Jan 2014
6(a) Based on the weighted average number of ordinary shares on issue	0.008	0.020	0.014	0.046
Weighted average number of ordinary shares (in million)	2,447.92	2,260.14	2,447.92	2,260.14
6(b) On a fully diluted basis	0.008	0.020	0.014	0.046
Weighted average number of ordinary shares (in million)	2,447.92	2,260.14	2,447.92	2,260.14

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 Jan 2015	31 Jul 2014	31 Jan 2015	31 Jul 2014
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	0.067	0.010	0.017	0.027

Net asset value per ordinary share as at 31 January 2015 is calculated based on the existing issued share capital of 2,447,927,123 ordinary shares outstanding as at 31 January 2015 (31 July 2014: 2,447,927,123).

After impairment as reported in the annual report for year ended July 2014, net asset value (“NAV”) was reduced by 7.9 cents which resulted in NAV per share of \$0.01 as at July 2014.

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

Revenue

Business Activity	2nd Quarter ended (3 months)				First Half (6 Months Ended)			
	31 Jan 15 S\$'mil	31 Jan 14 S\$'mil	+ / (-) S\$'mil	+ / (-) %	31 Jan 15 S\$'mil	31 Jan 14 S\$'mil	+ / (-) S\$'mil	+ / (-) %
Printing revenue	4.09	4.19	(0.10)	(2.4%)	6.49	8.77	(2.28)	(26.0%)
Other Revenue	0.01	0.58	(0.57)	(98.3%)	0.11	0.68	(0.57)	(83.8%)
Total Revenue	4.10	4.77	(0.67)	(14.0%)	6.60	9.45	(2.85)	(30.2%)

Overview

For the 2nd Quarter 2014

For 2Q2015, the Group recorded Revenue of S\$4.1 million, which was S\$0.7 million (14.0%) lower than the S\$4.8million achieved in 2Q2014 mainly due to lower other revenue.

Printing revenue for time-sensitive financial printing, commercial printing and print management income from VIP multinational customers remained relatively stable in 2Q2015 where revenue is similar to prior period.

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

In 2Q2015, the cost of raw materials and consumables such as paper, films and plates decreased by 11.4% to S\$0.8 million compared to S\$0.9 million in 2Q2014, which was in line with lower sales recorded for the reporting period.

Gross profit margin

Gross Profit margin (“GP margin”), net of deducting changes in inventories of finished goods and work-in-progress, decreased by approximately 0.6% from 80.9% in the corresponding quarter last year to 80.3% in 2Q2015. The decrease was mainly due to increase in raw material costs in view of the appreciation of US Dollar against Singapore Dollar where the suppliers transferred the increase in prices down to the Group.

Other income

Other income increased by \$29,000 from S\$205,000 in 2Q2014 to S\$234,000 in 2Q2015 mainly due to gain on disposal of plant & machinery which was partially offset by the decrease in rental income.

Foreign currency gain

In 2Q2015, the Group recorded an exchange gain of S\$66,000 which was about S\$548,000 lower than the S\$0.61 million recorded in 2Q2014.

Taking into account gain of \$0.44 million in 1Q2015, 1H2015 registered a gain of S\$0.51 million which is lower than the prior period.

This was mainly attributable to the translation of trade receivables and payables that are denominated in Hong Kong Dollar and the Renminbi.

Staff costs

In 2Q2015, the decrease in staff cost of S\$0.4 million as compared to 2Q2014 was mainly due to reduction in staff strength as we continue to restructure the Company’s workflow and production processes.

Depreciation

In 2Q2015, the depreciation expense was lower as compared to the depreciation expense incurred in 2Q2014 as certain plant and equipment had become fully depreciated since the last quarter and/or have been disposed of.

Other operating expenses

In 2Q2015, the Group incurred other operating expenses of S\$1.1 million of which was approximately S\$0.3 million lower than the S\$1.4 million incurred in 2Q2014 mainly due to better cost control.

Taxation

Taxation was not significant for the Group as a major portion of the Group’s profit from overseas was tax-exempt.

STATEMENT OF FINANCIAL POSITION

Property, plant and equipment

The Group’s plant and equipment was comparable to 31 July 2014 of S\$8.1 million as at 31 January 2015. Depreciation charges of S\$0.7 million and disposal of certain renovations and furniture and

fittings due to the ongoing relocation of our Singapore head office was offset by purchases of plant and equipment in the new office.

Inventory

The inventory increased from S\$1.5 million as at 31 July 2014 to S\$1.7 million as at 31 January 2015 mainly due to slower drawdown of inventory for prior period production orders.

Trade and other receivables

Trade receivables increased by S\$3.5 million from S\$5.4 million as at 31 July 2014 to S\$8.9 million as at 31 January 2015 mainly due to appreciation of the exchange rate of Renminbi and Hong Kong dollar against the Singapore dollar and uncollected receivable for sales in 2Q2015.

Other receivables increased by S\$0.6 million from S\$4.2 million as at 31 July 2014 to S\$4.8 million as at 31 January 2015 mainly due to appreciation of exchange rate of Renminbi and Hong Kong dollar against the Singapore dollar and proceeds receivable for the disposal of plant and equipment.

Trade and other payables

Trade and other payables increased from S\$14.6 million as at 31 July 2014 to S\$17.7 million as at 31 January 2015 due to an extension of time in paying of the suppliers.

Borrowings

Interest-bearing borrowings decreased by approximately S\$0.1 million from S\$3.6 million as at 31 July 2014 to S\$3.5 million as at 31 January 2015 mainly due to repayment of borrowings.

REVIEW OF CASH FLOWS

Net cash used in operating activities by the Group for 2Q2015 was S\$0.6 million as compared to net cash used of S\$0.3 million in the corresponding quarter a year ago mainly due to lower repayments to trade suppliers in 2Q2015.

Cash flows generated in investing activities in 2Q2015 amounted to S\$0.2 million compared to net cash used of S\$1.7 million in 2Q2014 due to proceeds received for the sale of equipment of S\$0.2 million and lesser purchase of plant and equipment in 2Q2015.

The Group's net cash used in financing activities for 2Q2015 was S\$0.3 million compared to S\$10.2 million generated mainly due to proceeds from rights issue during 2Q2014.

Overall and including currency translation adjustments, the net decrease in cash and cash equivalents in 2Q2015 amounted to S\$57,000, compared to a net increase of S\$5.3 million in the corresponding quarter a year ago.

Taking into account the cashflow in 1Q2015, the Group experienced a cash and cash equivalent deficit of \$1.34 million for 1H2015.

As announced in note 10, the Group is in the midst of completing the shares and warrants issuance with an investor, so as to bring in additional capital to strengthen its cashflow position.

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 Board notes that the Group is in negative working capital position as at 31 January 2015 and negative cash flows generated from operating activities of S\$49,000 for this quarter ended 31 January 2015.

As announced on 2 February 2015, the Company is working on a proposed shares and warrants issuance to an investor which when fully completed (including exercise of warrants), will provide up to a total of \$23 million proceeds to the Company. This initiative was carried out to enable the Company to augment its cash flow and improve working capital for expansion purposes, as well as to repay outstanding payables.

In an email on 2 February 2015, the Investor has indicated to Mr Fong Kah Kuen, the founder and non-executive director of the Company, that the Investor's intention to continue and complete the Proposed Subscription and the Proposed Warrants Issue pursuant to the Placement Agreement remains unchanged.

Based on the assurance from the Investor and taking into account the progress of the transaction to date and consequently the prospect of infusion of new capital as targeted, the Board believes that the Company is able to meet its short-term obligations as and when they fall due.

The Board is cautiously assessing the current challenges facing the print industry and will leverage on the Group's strength in delivering speed, reliability and quality as a competitive advantage over our competitors. The Group will also continue to provide more value-added services to customers while constantly reviewing its operations to improve efficiency in order to remain competitive.

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 Confirmation by the Board

The board of Directors hereby confirm that, to the best of their knowledge, nothing has come to its attention of which may render the interim financial statement for the financial period ended 31 January 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Fong Kah Kuen @ Foong Kah Kuen
Non-Executive Director
17 March 2015