



XPRESS HOLDINGS LTD
(Registration No. 199902058Z)

**UNAUDITED RESULTS FOR THE
THIRD QUARTER ENDED 30 APRIL 2015**

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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 9 MONTHS ENDED		
		30 Apr 2015 \$'000	30 Apr 2014 \$'000	Increase / (decrease) %	30 Apr 2015 \$'000	30 Apr 2014 \$'000	Increase / (decrease) %
Revenue		3,658	4,724	(22.6%)	10,254	14,178	(27.7%)
Other income	1	53	219	(75.8%)	772	589	31.1%
Total Revenue		3,711	4,943	(24.9%)	11,026	14,767	(25.3%)
Costs and expenses							
Changes in inventories of finished goods and work-in-progress		(19)	(35)	N.M	(184)	75	N.M
Raw materials and consumables used		(874)	(1,118)	(21.8%)	(2,134)	(3,555)	(40.0%)
Staff costs		(1,495)	(1,278)	17.0%	(4,635)	(4,945)	(6.3%)
Depreciation		(319)	(447)	(28.6%)	(1,072)	(1,479)	(27.5%)
Foreign currency gains		(60)	(449)	(86.6%)	450	345	30.4%
Other operating expenses		(690)	(1,121)	(38.4%)	(2,828)	(3,381)	(16.4%)
Finance costs	2	(110)	(189)	(41.8%)	(139)	(463)	(70.0%)
Profit before tax		144	306	(52.9%)	484	1,364	(64.5%)
Income tax	3	-	(72)	N.M.	-	(92)	N.M.
Net profit for the period		144	234	(38.5%)	484	1,272	(61.9%)
Attributable to:							
Equity holders of the parent		144	234	(38.5%)	484	1,276	(62.1%)
Non controlling interests		-	-	N.M.	-	(4)	N.M.
Net profit for the period		144	234	(38.5%)	484	1,272	(61.9%)

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			9 MONTHS ENDED		
	30 Apr 2015	30 Apr 2014	Increase / (decrease)	30 Apr 2015	30 Apr 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Rental income	4	199	(98.0%)	55	509	(89.2%)
Interest income on bank deposits	-	7	N.M.	-	26	N.M.
Gain on disposal of PPE	2		N.M.	670	-	N.M.
Miscellaneous income	47	13	261.5%	47	54	(13.0%)
Total	53	219	(75.8%)	772	589	31.1%

Note 2 Finance costs comprise the following:

Note	3 MONTHS ENDED			9 MONTHS ENDED		
	30 Apr 2015	30 Apr 2014	Increase / (decrease)	30 Apr 2015	30 Apr 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Interest incurred for:						
- overdrafts	(54)	(162)	(66.7%)	(71)	(202)	(64.9%)
- term loans	(53)	(19)	178.9%	(58)	(200)	(71.0%)
Hire purchase interest	(3)	(8)	(62.5%)	(10)	(61)	(83.6%)
Total	(110)	(189)	(41.8%)	(139)	(463)	(70.0%)

Note 3 Income tax comprises the following:

Note	3 MONTHS ENDED			9 MONTHS ENDED		
	30 Apr 2015	30 Apr 2014	Increase / (decrease)	30 Apr 2015	30 Apr 2014	Increase / (decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Current tax- current year	-	(10)	N.M.	-	(10)	N.M.
Current tax- prior years	-	(62)	N.M.	-	(82)	N.M.
	-	(72)		-	(92)	

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 9 MONTHS ENDED		
	30 Apr 2015	30 Apr 2014	Increase/ Decrease	30 Apr 2015	30 Apr 2014	Increase/ Decrease
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
Net profit/(loss) for the period	144	234	(38.5%)	484	1,272	(61.9%)
Other comprehensive income:						
Translation differences relating to financial statements of foreign subsidiaries	(447)	(5,196)	N.M.	604	(7,631)	N.M.
Translation differences arising on monetary items forming part of net investments in foreign operations	0	366	N.M.	0	286	N.M.
Other comprehensive income for the period	(447)	(4,830)	N.M.	604	(7,345)	N.M.
Total comprehensive income for the period	(303)	(4,596)	N.M.	1,088	(6,073)	N.M.
Total comprehensive income attributable to:						
Equity holders of the parent	(303)	(4,596)	N.M.	1,088	(6,069)	N.M.
Non-controlling interests	-	-	N.M.	-	(4)	N.M.
Total comprehensive income for the period	(303)	(4,596)	N.M.	1,088	(6,073)	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	
	30 Apr 2015	31 Jul 2014	30 Apr 2015	31 Jul 2014
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Plant and equipment	7,786	8,069	251	309
Investments in subsidiaries	-	-	4,000	4,000
	<u>7,786</u>	<u>8,069</u>	<u>4,251</u>	<u>4,309</u>
Current assets				
Inventories	1,689	1,504	-	-
Trade receivables	9,777	5,359	-	-
Other receivables	4,383	4,216	442	770
Non-trade amount due from subsidiaries	-	-	4,077	229
Cash and cash equivalents	602	649	-	3
	<u>16,451</u>	<u>11,728</u>	<u>4,519</u>	<u>1,002</u>
Total assets	<u>24,237</u>	<u>19,797</u>	<u>8,770</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	(9,637)	(10,242)	706	706
Accumulated profits	(107,127)	(107,610)	(119,018)	(117,965)
	<u>1,144</u>	<u>56</u>	<u>(404)</u>	<u>649</u>
Non-controlling interests	183	183	-	-
Total equity	<u>1,327</u>	<u>239</u>	<u>(404)</u>	<u>649</u>
Non-current liabilities				
Obligations under finance lease	673	716	206	249
Deferred tax liabilities	20	20	20	20
	<u>693</u>	<u>736</u>	<u>226</u>	<u>269</u>
Current liabilities				
Trade and other payables	17,646	14,587	5,737	4,329
Non-trade amount due to subsidiaries	-	-	3,073	-
Interest-bearing borrowings	3,936	3,643	74	-
Obligations under finance lease	620	577	62	62
Current tax payable	15	15	2	2
	<u>22,217</u>	<u>18,822</u>	<u>8,948</u>	<u>4,393</u>
Total liabilities	<u>22,910</u>	<u>19,558</u>	<u>9,174</u>	<u>4,662</u>
Total equity and liabilities	<u>24,237</u>	<u>19,797</u>	<u>8,770</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 30 Apr 2015		As at 31 Jul 2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
2,823	1,733	2,681	1,539

Amount repayable after one year

As at 30 Apr 2015		As at 31 Jul 2014	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
673	-	716	-

Details of any collateral:

Secured borrowings at 30 April 2015 mainly refer to the following:

- a. Finance lease liabilities amounting to S\$1.29 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\$1.56 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	
	3rd Quarter Ended		9 Months Ended	
	30 Apr 2015	30 Apr 2014	30 Apr 2015	30 Apr 2014
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit before taxation	144	306	484	1,364
Adjustments for:				
Interest expense	109	191	138	465
Interest income	-	(7)	-	(26)
Depreciation of plant and equipment	319	447	1,072	1,479
Property, plant and equipment written off	39	4	39	4
Loss/(gain) on disposal of plant and equipment, net	18	(5)	(670)	17
Operating profit before working capital changes	629	936	1,063	3,303
Changes in working capital:				
Inventories	(20)	36	(185)	(74)
Trade and other receivables	(502)	(1,262)	(4,585)	328
Trade and other payables	(20)	905	3,059	(4,081)
Cash generated from operations	87	615	(648)	(524)
Income tax paid	-	(70)	-	(90)
Cash flows (use in) / generated from operating activities	87	545	(648)	(614)
Investing activities				
Interest received	-	-	-	19
Purchase of plant and equipment	(388)	(157)	(221)	(2,394)
Proceeds from disposal of plant and equipment, net	91	-	290	4
Cash flows generated from / (used in) investing activities	(297)	(157)	69	(2,371)
Financing activities				
Interest paid	(109)	(131)	(138)	(405)
Proceed / (repayment) of finance lease instalments	-	(32)	(56)	(131)
Proceeds from borrowings	-	-	-	1,500
Proceeds/(repayments) of borrowings	78	(3,516)	(312)	(5,916)
Fixed deposits pledged	-	(540)	-	(540)
Dividend paid to equity holders of the company	-	(734)	-	(734)
Proceeds from issue of shares	-	-	-	12,818
Cash flows generated from financing activities	(31)	(4,953)	(506)	6,592
Foreign currency translation adjustments	420	942	1,177	(1,397)
Net increase in cash and cash equivalents	179	(3,623)	92	2,210
Cash and cash equivalents at beginning of the period	(1,342)	2,563	(1,255)	(3,270)
Cash and cash equivalents at end of the period	(1,163)	(1,060)	(1,163)	(1,060)

A

Explanatory notes to the consolidated cash flow statement

Note A. Cash and cash equivalents comprise the following:

	30 Apr 2015	30 Apr 2014
	\$'000	\$'000
Cash at bank and in hand	62	236
Fixed deposits	540	4,482
Cash and cash equivalents	602	4,718
Bank overdrafts (secured)	(1,225)	(1,296)
Fixed deposits pledged	(540)	(4,482)
Cash and cash equivalents in the cash flow statement	(1,163)	(1,060)

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	Fair value reserve \$'000	Currency translation reserve \$'000	Share option reserve \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'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	-	-	(7,345)	-	1,276	(6,069)	(4)	(6,073)
Issued shares	12,818	-	-	-	-	12,818	-	12,818
At 30 April 2014	117,908	5,717	(19,563)	706	43,226	147,994	180	148,174
At 1 August 2014	117,908	-	(10,948)	706	(107,610)	56	183	239
Total comprehensive income for the period	-	-	604	-	484	1,088	-	1,088
At 30 April 2015	117,908	-	(10,344)	706	(107,126)	1,144	183	1,327

Statement of Changes in Equity for the Company

	Attributable to equity holders of the Company				
	Share capital \$'000	Fair value reserve \$'000	Share option reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 August 2013	105,090	5,622	706	10,070	121,488
Total comprehensive income for the period	-	-	-	144	144
Issued shares	12,818	-	-	-	12,818
At 30 April 2014	117,908	5,622	706	10,214	134,450
At 1 August 2014	117,908	-	706	(117,965)	649
Total comprehensive income for the period	-	-	-	(1,053)	(1,053)
At 30 April 2015	117,908	-	706	(119,018)	(404)

- 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 30 April 2015.

Share Options

The Company has a share option scheme known as Xpress Holdings Executives' Share Option Scheme 2001 (the "Option Scheme") which was approved by members of the Company at the Extraordinary General Meeting held on 25 June 2001. The Option Scheme expired in July 2010 without being renewed.

At 30 April 2015, there were 8,500,000 (30 April 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 (30 April 2014: 13,100,000) at a weighted average exercise price of S\$0.114 (30 April 2014: S\$0.118) per share.

The 8,500,000 share options outstanding at 30 April 2015 are approximately 0.35% of the share capital consisting of 2,447,927,123 issued shares at 30 April 2015 and the last of these outstanding share options would lapse or expire should they remain unexercised by 20 October 2018.

- 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 30 April 2015 was 2,447,927,123 (30 April 2014: 2,447,927,123). There were no treasury shares held by the Company at 30 April 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			
	3rd Quarter (3 Months)		Nine Months (9 Months)	
	30 Apr 2015	30 Apr 2014	30 Apr 2015	30 Apr 2014
6(a) Based on the weighted average number of ordinary shares on issue	0.006	0.010	0.020	0.056
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	0.006	0.010	0.020	0.056
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	
	30 Apr 2015	31 Jul 2014	30 Apr 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)	0.054	0.010	-0.017	0.027

Net asset value per ordinary share as at 30 April 2015 is calculated based on the existing issued share capital of 2,447,927,123 ordinary shares outstanding as at 30 April 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	3rd Quarter ended (3 months)				Nine-Month (9 Months Ended)			
	30 Apr 15 S\$'mil	30 Apr 14 S\$'mil	+ / (-) S\$'mil	+ / (-) %	30 Apr 15 S\$'mil	30 Apr 14 S\$'mil	+ / (-) S\$'mil	+ / (-) %
Printing revenue	3.55	4.57	(1.02)	(22.3%)	10.03	13.35	(3.32)	(24.9%)
Other Revenue	0.11	0.15	(0.04)	(26.7%)	0.22	0.83	(0.61)	(73.5%)
Total Revenue	3.66	4.72	(1.06)	(22.5%)	10.25	14.18	(3.93)	(27.7%)

Overview

For the 3rd Quarter 2014

For 3Q2015, the Group recorded Revenue of S\$3.66 million, which was S \$1.06 million (22.5%), lower than the S\$4.7 million achieved in 3Q2014 mainly due to lower revenue contribution from our local and overseas operations.

Competition has intensified in the Singapore market due to new players in the digital print segment whilst offset printing demand has declined. In China, printing demand has also declined as companies lowered their spending budget due to a slowing Chinese economy.

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

In 3Q2015, the cost of raw materials and consumables such as paper, films and plates decreased by 22.5% to S\$0.9 million compared to S\$1.15 million in 3Q2014, which was in line with lower sales recorded for the reporting period.

Gross profit margin

The Group's Gross Profit margin ("GP margin"), net of deducting changes in inventories of finished goods and work-in-progress, remained stable at 76% in 3Q2015 compared with the GP margin of 77% in the corresponding quarter last year.

Other income

Other income decreased in 3Q2015 mainly due to the absence of rental income from the sub-let of the Singapore leased building. The Company moved out of the previous leased premises in January 2015.

Foreign currency gain

The Group recorded an exchange loss of S\$60,000 in 3Q2015, compared with a loss of S\$449,000 in 3Q2014.

Taking into account the exchange loss in 3Q2015, 9M2015 registered a gain of S\$0.45 million which is higher 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 3Q2015, the increase in staff cost of S\$0.2 million as compared to 3Q2014 was mainly due to additions to staff strength to meet the increased factory output during the annual reports printing season.

Depreciation

In 3Q2015, the depreciation expense was lower as compared to the depreciation expense incurred in 3Q2014 as certain plant and equipment had become fully depreciated since the last quarter and/or have been disposed of.

Other operating expenses

In 3Q2015, the Group incurred other operating expenses of S\$0.7 million of which was approximately S\$0.4 million lower than the S\$1.1 million incurred in 3Q2014 mainly due to lower rental expense incurred by the Singapore operations.

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 lower by \$0.2 million compared to 31 July 2014 of S\$8.1 million as at 30 April 2015. Depreciation charges of S\$1.07 million and disposal of certain renovations and

furniture and fittings due to the 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 30 April 2015 mainly due to slower drawdown of inventory for prior period production orders.

Trade and other receivables

Trade receivables increased by S\$4.4 million from S\$5.4 million as at 31 July 2014 to S\$9.8 million as at 30 April 2015 mainly due to credit terms offered to our customers for new sales relating to 3Q2015.

Other receivables increased by S\$0.2 million from S\$4.2 million as at 31 July 2014 to S\$4.4 million as at 30 April 2015 mainly due to proceeds receivable for sale of plant and equipment and partly because of the appreciation of exchange rate of Renminbi and Hong Kong dollar against the Singapore dollar.

Trade and other payables

Trade and other payables increased from S\$14.6 million as at 31 July 2014 to S\$17.6 million as at 30 April 2015 due to an extension of time in paying of the suppliers.

Borrowings

Interest-bearing borrowings increased by approximately S\$0.3 million from S\$3.6 million as at 31 July 2014 to S\$3.9 million as at 30 April 2015 mainly due to a drawdown of bank overdraft.

REVIEW OF CASH FLOWS

Net cash generated from operating activities by the Group for 3Q2015 was S\$87,000, compared with S\$0.5 million in the corresponding quarter a year ago.

Cash flows used in investing activities in 3Q2015 was S\$ 0.3 million compared to net cash used of S\$0.2 million in 3Q2014 due to a higher purchase of plant and equipment in the quarter under review.

The Group's net cash used in financing activities for 3Q2015 was S\$31,000 compared to S\$4.9 million used mainly due to repayment of borrowing and dividend paid during 3Q2014.

Overall and including currency translation adjustments, the net increase in cash and cash equivalents in 3Q2015 amounted to S\$179,000, compared to a net decrease of S\$3.6 million in the corresponding quarter a year ago.

Taking into account the cashflow in 1H2015, the Group experienced a cash and cash equivalent deficit of \$1.16 million for 9M2015.

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 30 April 2015.

On 25 May 2015 and 28 May 2015, the Company has announced that 2 creditors who had previously filed writs of summons against the Company had obtained judgment from the Singapore Court. Two other creditors whom the Company had received writs of winding up application have been adjourned to 24 July 2015, pending settlement of the claims from the proceeds we are expecting from a proposed shares and warrants issuance to an investor.

The proposed shares and warrants issuance 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. When fully completed (including exercise of warrants), it will provide up to a total of \$23 million proceeds to the Company. On 11 June 2015, the Company announced that it has obtained the approval-in-principal for the shares issue and barring any unforeseen circumstances and subject to obtaining the necessary statutory and shareholders' approvals, we are targeting to complete the shares issuance by end of July 2015.

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 30 April 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Fong Kah Kuen @ Foong Kah Kuen
Non-Executive Director
12 June 2015