



XPRESS HOLDINGS LTD

(Registration No. 199902058Z)

**UNAUDITED RESULTS FOR THE
FOURTH QUARTER ENDED 31 JULY 2016**

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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 2016	31 Jul 2015	Increase / (decrease)	31 Jul 2016	31 Jul 2015	Increase / (decrease)
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue		1,759	1,506	16.8%	7,744	10,404	(25.6%)
Other income	1	92	49	87.8%	357	296	20.6%
Total Revenue		1,851	1,555	19.0%	8,101	10,700	(24.3%)
Costs and expenses							
Changes in inventories of finished goods and work-in-progress		(37)	(211)	(82.5%)	(21)	(90)	(76.7%)
Raw materials and consumables used		(433)	(380)	13.9%	(2,080)	(2,195)	(5.2%)
Loss on disposal of investment in Subsidiaries		(11,713)	-	N.M.	(19,672)	-	N.M.
Staff costs		(973)	585	(266.3%)	(4,344)	(3,521)	23.4%
Depreciation		(44)	(67)	(34.3%)	(197)	(408)	(51.7%)
Foreign currency (loss)/ gain		(210)	(682)	(69.2%)	(12)	(18)	(33.3%)
Other operating expenses	3	(598)	(84)	611.9%	(2,029)	(2,168)	(6.4%)
Finance costs	2	(4)	(88)	(95.5%)	(101)	(227)	(55.5%)
(Loss)/Profit before tax		(12,161)	628	(2036.5%)	(20,355)	2,073	(1081.9%)
Income tax	4	(12)	(17)	(29.4%)	18	(17)	(205.9%)
Net (loss)/ profit of discontinued operations		(105)	(783)	(86.6%)	(1,415)	(1,745)	(18.9%)
Net (loss)/profit for the period		(12,278)	(172)	7038.4%	(21,752)	311	(7094.2%)
Attributable to:							
Equity holders of the parent		(12,278)	(169)	7165.1%	(21,750)	314	(7026.8%)
Non- controlling interests		-	(3)	N.M.	(2)	(3)	(33.3%)
Net (loss)/profit for the period		(12,278)	(172)	7038.4%	(21,752)	311	(7094.2%)

N.M. : Not meaningful

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-16		31-Jul-15		31-Jul-16		31-Jul-15	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Bad debts recovered	5	-	6	-	12	-	6	-
Rental income	-	-	(24)	-	-	-	31	-
Interest income on bank deposits	-	-	-	-	8	-	-	-
Gain on disposal of equipment	32	-	(42)	39	40	26	103	254
Miscellaneous income	55	-	109	42	297	8	156	42
Total	92	-	49	81	357	34	296	296

Note 2 Finance costs comprise the following:

	3 MONTHS ENDED				12 MONTHS ENDED			
	31-Jul-16		31-Jul-15		31-Jul-16		31-Jul-15	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest incurred for:								
- overdrafts	9	-	(20)	-	(9)	-	(91)	-
- term loans	-	-	(55)	-	-	-	(113)	-
Hire purchase interest	(13)	-	(13)	-	(92)	-	(23)	-
Total	(4)	-	(88)	-	(101)	-	(227)	-

Note 3 Other operating expenses include the following:

	3 MONTHS ENDED				12 MONTHS ENDED			
	31-Jul-16		31-Jul-15		31-Jul-16		31-Jul-15	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Marketing expenses	(57)	-	(152)	(20)	(113)	(39)	(385)	(43)
Operating lease expense - office, factories and warehouses	(4)	-	268	(63)	(461)	(259)	(623)	(367)

Note 4 Income tax comprises the following:

	3 MONTHS ENDED				12 MONTHS ENDED			
	31-Jul-16		31-Jul-15		31-Jul-16		31-Jul-15	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current tax- prior years	(12)	-	(17)	-	18	-	(17)	-

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 12 MONTHS ENDED		
	31 Jul 2016 \$'000	31 Jul 2015 \$'000	Increase/ Decrease %	31 Jul 2016 \$'000	31 Jul 2015 \$'000	Increase/ Decrease %
Continuing Operations						
Net (loss)/profit for the period from continuing operations	(12,173)	611	(2092.3%)	(20,337)	2,056	N.M.
Other comprehensive (loss)/ income:						
Translation differences relating to financial statements of foreign subsidiaries	12	20	(40.0%)	(83)	(133)	(37.6%)
Translation differences arising on monetary items forming part of net investments in foreign operations	-	-	N.M.	-	-	N.M.
Other comprehensive (loss)/ income for the period from continuing operations	12	20	(40.0%)	(83)	(133)	(37.6%)
Total comprehensive (loss)/ income for the period from continuing operations	(12,161)	631	(2027.3%)	(20,420)	1,923	(1161.9%)
Discontinued Operations						
Net (loss)/profit for the period from discontinued operations	(105)	(783)	(86.6%)	(1,415)	(1,745)	(18.9%)
Other comprehensive (loss)/ income:						
Translation reserve transferred to income statement upon disposal	12,253	-	N.M.	12,253	-	N.M.
Translation differences relating to financial statements of foreign subsidiaries	(79)	70	(212.9%)	(1,521)	(196)	676.0%
Translation differences arising on monetary items forming part of net investments in foreign operations	(267)	296	(190.2%)	(838)	1,280	N.M.
Other comprehensive (loss)/ income for the period from discontinued operations	11,907	366	3153.3%	9,894	1,084	812.7%
Total comprehensive (loss)/ income for the period from discontinued operations	11,802	(417)	(2930.2%)	8,479	(661)	(1382.8%)
Total comprehensive (loss)/ income attributable to:						
Equity holders of the parent	(359)	178	(301.7%)	(11,939)	1,265	(1043.8%)
Non-controlling interests	-	(3)	N.M.	(2)	(3)	N.M.
Total comprehensive (loss)/ income for the period from continuing operations	(359)	175	(305.1%)	(11,941)	1,262	(1046.2%)

(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 2016	31 Jul 2015	31 Jul 2016	31 Jul 2015
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Plant and equipment	1,956	8,269	106	149
Investments in subsidiary corporations	-	-	6,000	4,000
	1,956	8,269	6,106	4,149
Current assets				
Inventories	112	1,363	-	-
Trade receivables	1,179	4,973	201	16
Other receivables	1,962	1,872	1,395	160
Non-trade amount due from subsidiary corporations	-	-	2,816	5,726
Cash and cash equivalents	2,768	3,690	1,944	2,785
	6,021	11,898	6,356	8,687
Total assets	7,977	20,167	12,462	12,836
Equity attributable to equity holders of the parent				
Share capital	130,301	125,033	130,301	125,033
Other reserves	(25)	(9,291)	57	706
Accumulated losses	(128,397)	(107,296)	(121,233)	(118,871)
	1,879	8,446	9,125	6,868
Non-controlling interests	178	180	-	-
Total equity	2,057	8,626	9,125	6,868
Non-current liabilities				
Obligations under finance lease	1,314	726	78	115
Deferred tax liabilities	-	-	-	-
	1,314	726	78	115
Current liabilities				
Trade and other payables	4,064	9,261	3,228	3,650
Trade amount due to subsidiary corporations	-	-	-	39
Non-trade amount due to subsidiary corporations	-	-	-	2,134
Interest-bearing borrowings	-	1,099	-	-
Obligations under finance lease	520	433	30	30
Current tax payable	22	22	-	-
	4,606	10,815	3,258	5,853
Total liabilities	5,920	11,541	3,336	5,968
Total equity and liabilities	7,977	20,167	12,461	12,836

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 2016		As at 31 July 2015	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
520	-	980	552

Amount repayable after one year

As at 31 July 2016		As at 31 July 2015	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
1,314	-	726	-

Details of any collateral:

Secured borrowings at 31 July 2016 mainly refer to the following:

- a. Finance lease liabilities amounting to S\$1.83 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 2016	31 Jul 2015	31 Jul 2016	31 Jul 2015
	\$'000	\$'000	\$'000	\$'000
Operating activities				
(Loss)/Profit before taxation	(12,266)	(156)	(21,770)	328
Adjustments for:				
Interest expense	57	88	101	227
Interest income	-	-	(8)	-
Depreciation of plant and equipment	44	101	829	1,173
Loss on disposal of investment in subsidiaries	11,713	-	19,672	-
Inventories written off	-	282	-	282
Plant and equipment written off	20	341	20	380
(Gain)/ loss on disposal of plant and equipment, net	(32)	314	(66)	(356)
Operating (loss)/ profit before working capital changes	(464)	970	(1,222)	2,034
Changes in working capital:				
Inventories	42	44	67	(141)
Trade and other receivables	272	3,148	2,052	1,025
Trade and other payables	(77)	(7,845)	(3,106)	(4,786)
Cash used in operations	(227)	(3,683)	(2,209)	(1,868)
Income tax (paid)/ refund	(12)	(30)	18	(30)
Cash flows used in operating activities	(239)	(3,713)	(2,191)	(1,898)
Investing activities				
Interest received	-	-	8	-
Purchase of plant and equipment	(313)	(121)	(575)	(342)
Proceeds from disposal of plant and equipment, net	33	651	246	941
Proceeds from disposal of investment in subsidiaries	75	-	75	-
Cash flows generated from investing activities	(205)	530	(246)	599
Financing activities				
Interest paid	(57)	(88)	(101)	(227)
Repayment of finance lease instalments	(222)	(77)	(425)	(133)
Proceeds from issuance of shares	-	7,125	-	7,125
Proceeds from share warrants exercised	2,971	-	5,041	-
Repayment of borrowings	-	(1,967)	-	(2,279)
Redemption of fixed deposit pledged	-	-	540	-
Cash flows used in from financing activities	2,692	4,993	5,055	4,486
Foreign currency translation adjustments	(17)	1,404	(1,903)	119
Net increase in cash and cash equivalents	2,231	3,214	715	3,306
Cash and cash equivalents at beginning of the period	537	(1,163)	2,053	(1,255)
Cash and cash equivalents at end of the period	2,768	2,051	2,768	2,051

Explanatory notes to the consolidated cash flow statement

Note A. Cash and cash equivalents comprise the following:

	31 Jul 2016	31 Jul 2015
	\$'000	\$'000
Cash at bank and in hand	2,793	3,150
Fixed deposits	-	540
Cash and cash equivalents	2,793	3,690
Bank overdrafts (secured)	-	(1,099)
Fixed deposits pledged	-	(540)
Cash and cash equivalents in the cash flow statement	2,793	2,051
Less: Cash and cash equivalents of discontinued operations	(25)	-
	2,768	2,051

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	Retained earnings \$'000	Reserve of asset classified as held for sale \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
At 1 August 2014	117,908	(10,948)	706	(107,610)	-	56	183	239
Total comprehensive income for the period	-	(172)	-	126	-	(46)	3	(43)
At 31 October 2014	117,908	(11,120)	706	(107,484)	-	10	186	196
Total comprehensive income for the period	-	1,224	-	214	-	1,438	(3)	1,435
At 31 January 2015	117,908	(9,896)	706	(107,270)	-	1,448	183	1,631
Total comprehensive income for the period	-	(448)	-	144	-	(304)	-	(304)
At 30 April 2015	117,908	(10,344)	706	(107,126)	-	1,144	183	1,327
Total comprehensive income for the period	-	347	-	(170)	-	177	(3)	174
Issued shares	7,125	-	-	-	-	7,125	-	7,125
At 31 July 2015	125,033	(9,997)	706	(107,296)	-	8,446	180	8,626
At 1 August 2015	125,033	(9,997)	706	(107,296)	-	8,446	180	8,626
Total comprehensive loss for the period	-	(752)	-	(188)	-	(940)	(2)	(942)
At 31 October 2015	125,033	(10,749)	706	(107,484)	-	7,506	178	7,684
Total comprehensive loss for the period	-	(1,423)	-	(9,050)	-	(10,473)	-	(10,473)
Exercise of share warrants	2,070	-	-	-	-	2,070	-	2,070
Classification of asset held for sale	-	12,058	-	-	(12,058)	-	-	-
At 31 January 2016	127,103	(114)	706	(116,534)	(12,058)	(897)	178	(719)
Total comprehensive loss for the period	-	67	-	(234)	-	(167)	-	(167)
Reversal of expenses incurred on share placement exercise	230	-	-	-	-	230	-	230
Classification of asset held for sale	-	(47)	-	-	151	104	-	104
At 30 April 2016	127,333	(94)	706	(116,768)	(11,907)	(730)	178	(552)
Total comprehensive loss for the period	-	11,919	-	(12,278)	-	(359)	-	(359)
Share Options lapsed	-	-	(649)	649	-	-	-	-
Exercise of share warrants	2,968	-	-	-	-	2,968	-	2,968
Realised on disposal of asset held-for-sale	-	(11,907)	-	-	11,907	-	-	-
At 31 July 2016	130,301	(82)	57	(128,397)	-	1,879	178	2,057

Statement of Changes in Equity for the Company

Attributable to equity holders of the Company

	Share capital \$'000	Share option reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 August 2014	117,908	706	(117,965)	649
Total comprehensive income for the period At 31 October 2014	-	-	333	333
	117,908	706	(117,632)	982
Total comprehensive income for the period At 31 January 2015	-	-	(556)	(556)
	117,908	706	(118,188)	426
Total comprehensive income for the period At 30 April 2015	-	-	(830)	(830)
	117,908	706	(119,018)	(404)
Total comprehensive income for the period Issued shares	-	-	147	147
	7,125	-	-	7,125
At 31 July 2015	125,033	706	(118,871)	6,868
At 1 August 2015	125,033	706	(118,871)	6,868
Total comprehensive income for the period At 31 October 2015	-	-	(113)	(113)
	125,033	706	(118,984)	6,755
Total comprehensive income for the period	-	-	(435)	(435)
Exercise of share warrants At 31 January 2016	2,070	-	-	2,070
	127,103	706	(119,419)	8,390
Total comprehensive income for the period Reversal of expenses incurred on share placement exercise	-	-	(236)	(236)
	230	-	-	230
At 30 April 2016	127,333	706	(119,655)	8,384
Total comprehensive income for the period Share options lapsed	-	-	(2,227)	(2,227)
	-	(649)	649	-
Exercise of share warrants	2,968	-	-	2,968
At 31 July 2016	130,301	57	(121,233)	9,125

- 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.**

In 4Q2016, 10,714,000 shares warrants were exercised at the exercise price of S\$0.28 per share.

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 31 July 2016, there were 97,500 (31 July 2015: 97,500) outstanding share options which would entitle the holders to subscribe for a total of 97,500 ordinary shares of the Company (31 July 2015: 97,500) at a weighted average exercise price of S\$7.20 (31 July 2015: S\$7.20) per share. The last of these outstanding share options would lapse or expire should they remain unexercised by 28 February 2017.

- 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 2016 was 106,912,080 (31 July 2015: 88,698,178). There were no treasury shares held by the Company at 31 July 2016.

- 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**

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 2015.

- 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 2015, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 August 2015.

Financial Reporting Standards (“FRS”) which became effective for the Group’s financial period beginning 1 August 2015 are:

Amendments to FRS 19 Defined Benefit Plans: Employee Contributions
Improvements to FRSs (January 2014)
Improvements to FRSs (February 2014)

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 2016	31 Jul 2015	31 Jul 2016	31 Jul 2015
6(a) Based on the weighted average number of ordinary shares on issue (in cents)	(12.1)	(0.26)	(23.10)	0.51
Weighted average number of ordinary shares (in million)	101.7	64.8	94.0	62.1
6(b) On a fully diluted basis (in cents)	(12.1)	(0.26)	(23.10)	0.51
Weighted average number of ordinary shares (in million)	101.7	64.8	94.0	62.1

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 2016	31 Jul 2015	31 Jul 2016	31 Jul 2015
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	1.92	9.72	8.54	7.81

Net asset value per ordinary share as at 31 July 2016 is calculated based on the existing issued share capital of 106,912,080 ordinary shares outstanding as at 31 July 2016 (31 July 2015: 88,698,200).

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.

8(a) Review of Group Results for 4th Quarter ended 31 July 2016 against 4th Quarter ended 31 July 2015

Continuing operations

Revenue

For 4Q2016, the Group recorded Printing Revenue of S\$1.76 million for its continuing operations, which was \$0.25 million (17%), higher than the S\$1.50 million achieved in 4Q2015.

The printing industry in Singapore remained challenging in 4Q2016. The Group recently purchased a new high end offset printing machine and this is expected to contribute positively to the Group's future sales turnover.

Other income

Miscellaneous income such as sale of scrap paper has increased in 4Q2016 over 4Q2015.

Costs and expenses

In 4Q2016, the cost of raw materials and consumables such as paper, films and plates increased by 14% which is in line with the higher printing demand.

Staff costs for 4Q2016 was higher than that of 4Q2015, mainly due to the write back of over-accrued staff bonuses in 4Q2015 which was not repeated in 4Q2016.

Foreign currency losses of S\$0.2 million in 4Q2016 was due to a reversal of the foreign exchange gain arising on the foreign denominated trade receivables belonging to the subsidiaries that were disposed of in 4Q2016.

Depreciation charge for 4Q2016 was lower by 34% compared with 4Q2015 as certain plant and equipment have become fully depreciated during this financial year.

Other operating expenses were higher in 4Q2016 compared to 4Q2015 mainly due to the write back of over-accrued expenses in 4Q2015 which was not repeated in 4Q2016.

Discontinued operations

In 4Q2016, the Group concluded the sale of certain loss-making subsidiaries, namely, Xpress Print (Shenzhen) Co. Ltd, Precise Media Group Limited, Xpress Print (K.L.) Sdn Bhd, Xpress Print (H.K.) Limited (collectively, the "Sale companies") and Shenzhen Jiaxingda Printing Co. Ltd ("Available-for-sale Financial Asset"), for a sale consideration of S\$1.0 million (the "Disposal").

The net loss attributable to the Sale companies for the full year ending 31 July 2016 ("FY2016") was S\$1.42 million (FY2015: S\$1.75 million) and for 4Q2016 was S\$0.11 million (4Q2015: S\$0.78 million) respectively.

The Sale companies were sold at a deficit of S\$7.42 million to its net asset values, and together with another S\$12.25 million loss on exchange translation reserves which was realised upon the Disposal, the Group recorded a total loss of S\$19.67 million upon disposal of the subsidiaries.

8(b) Cash Flow, Working Capital, Assets and Liabilities of the group during the current financial period reported on

The Group's assets and liabilities as at 31 July 2016 were reduced as a result of the Disposal. The assets and liabilities of the Sale companies as at 31 July 2016 were as follows:

	<u>S\$'000</u>
Plant and equipment	6,516
Inventories	1,184
Trade and other receivables	2,552
Cash and cash equivalents	25
Total assets	<u>10,277</u>
Less:	
Trade and other payables	<u>(1,858)</u>
Net assets of Sale companies	<u><u>8,419</u></u>

Plant and equipment

The Group's plant and equipment decreased from S\$8.27 million as at 31 July 2015 to S\$1.96 million as at 31 July 2016 mainly due to the disposal of subsidiaries as shown above. The Group also disposed approximately S\$0.2 million of motor vehicles of its continuing operations. Total depreciation for FY2016 was S\$0.83 million and exchange loss was S\$0.43 million.

In 4Q2016, the Group purchased a new offset printing machine for S\$1.4 million for its Singapore plant, which is partly financed by a S\$1.0 million hire purchase financing from a local bank. The total addition to plant and equipment by the Group's continuing operations in FY2016 was S\$1.57 million.

Trade and other receivables

Trade and other receivables decreased from S\$6.85 million as at 31 July 2015 to S\$3.14 million as at 31 July 2016 mainly due to the disposal of subsidiaries as shown above, offset by the balance proceeds of S\$0.9 million due from the Purchaser for the Disposal.

Obligations under finance lease

Finance lease liabilities increased from S\$1.16 million as at 31 July 2015 to S\$1.82 million as at 31 July 2016 mainly due to the new financing obtained for the purchase of machinery in 4Q2016, offset by the monthly instalment payments made by the Group during the financial period.

Trade and other payables

Trade and other payables decreased from S\$9.26 million as at 31 July 2015 to S\$4.06 million as at 31 July 2016 mainly due to repayments during the financial year and the disposal of subsidiaries as shown above.

Cash flows of the Group

The cash and cash equivalents increased in 4Q2016 by S\$2.2 million mainly due to the S\$3.0 million proceeds from the warrants exercised by the warrant holder, offset by cash used in operating activities of S\$0.24 million, net cash outflows due to the purchase of machinery of S\$0.31 million and repayment of finance lease interest and instalments of S\$0.28 million.

There were no other material factors that affected the cash flow, working capital, assets and liabilities of the Group during the current financial 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 Group recorded a net loss after tax of S\$21.75 million for the FY2016 (FY2015: net profit S\$0.31 million). This net loss incurred was mainly due to the loss on disposal of subsidiaries of S\$19.67 million. Operations that have been disposed of contributed a net loss of S\$1.42 million to the Group's results.

The Board has recently sent a notice of EGM to be convened on 13 October 2016 to seek approval from the shareholders for the change of Company name, the addition of principal businesses to the Group as well as the proposed acquisition of an E-commerce company, Amplify Me Pte Ltd ("Amplify"). The Board believes that Amplify has much room for organic growth and cross border expansion and once completed, will contribute positively to the Group's top and bottom line in the near future. The Group has also taken up a minority stake in a joint venture company that will operate a supermarket chain in the PRC under the Sheng Siong brand. Meanwhile, while pending for the shareholders' approval the Board shall actively explore any investment opportunities that may bring positive investment returns to the Group.

As the Group has disposed of its loss making subsidiaries, the Board is confident the existing business will be able to improve on its results in the next financial year. The Board is also optimistic that subject to the completion of the proposed acquisition of new business, the Group will be able to deliver a set of positive results to shareholders in the next financial year.

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 announcement made on 23 September 2016, the Company wishes to provide an update on the use of proceeds from the Exercise of Warrants as follows:

	(\$'000)
Balance proceeds from the Exercise of Warrants on 20 January 2016	1,350
Add: net proceeds from the Exercise of Warrants on 15 June 2016	3,000
Less:	
Payment for:	
Share capital of newly incorporated wholly-owned subsidiaries of the Company	1,877
General working capital (made up of):	1,878
Long and outstanding trade and other payables	1,012
Corporate expenses (legal, professional and compliance fees)	866
Total net proceeds balance from the Exercise of Warrants	595

15 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 July 2016 to be false or misleading in any material aspect.

16 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

17. **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		Corporate and others		Eliminations		Continuing Operations Total		Discontinued Operations Total		Consolidated Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales to external customers	7,517	8,094	227	272	-	2,038	7,744	10,404	315	1,541	8,059	11,945
Inter-segment sales	132	197	-	-	(132)	(197)	-	-	-	-	-	-
Total revenue	7,649	8,291	227	272	(132)	1,841	7,744	10,404	315	1,541	8,059	11,945
Segment results	(11,476)	2,995	(22,731)	(861)	14,154	166	(20,053)	2,300	(1,415)	(1,745)	(21,468)	555
Finance costs							(101)	(227)	-	-	(101)	(227)
Profit/ (Loss) before taxation							(20,154)	2,073	(1,415)	(1,745)	(21,569)	328
Income tax expense							18	(17)	-	-	18	(17)
Net profit/ (loss) for the year							(20,136)	2,056	(1,415)	(1,745)	(21,551)	311

Asset and liabilities

	Print media		Corporate and others		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment assets	3,063	13,367	2,146	3,110	-	-	5,209	16,477
Unallocated assets							2,768	3,690
Total assets							7,977	20,167
Segment liabilities	2,227	4,897	1,837	4,363	-	-	4,064	9,260
Income tax liabilities							22	22
Deferred tax liabilities							-	-
Unallocated liabilities							1,834	2,259
Total liabilities							5,920	11,541

Other segment information	Print media		Corporate		Eliminations		Continuing Operations		Discontinued Operations		Consolidated Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Capital expenditure	1,577	262	-	-	-	-	1,577	262	83	1,246	1,660	1,508
Depreciation of plant and equipment	154	330	43	78	-	-	197	408	632	764	829	1,172
Interest expense	91	162	10	65	-	-	101	227	-	-	101	227
Plant and equipment written off	20	381	-	-	-	-	20	381	-	-	20	381
Gain on disposal of plant and equipment	(40)	(91)	-	(12)	-	-	(40)	(103)	(26)	(254)	(66)	(357)
Impairment loss on other receivables	(31)	801	-	-	-	-	(31)	801	-	(30)	(31)	771

Geographical Segments

	Revenue from external customers				Segment assets		Capital expenditure			
	Continuing		Discontinued				Continuing		Discontinued	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	\$'000	\$'000			\$'000	\$'000	\$'000	\$'000		
Singapore	7,730	8,514	-	-	9,407	6,306	1,577	262	-	-
Malaysia	-	30	78	356	-	436	-	-	-	52
China and Hong Kong	-	1,810	237	1,191	-	13,151	-	-	98	1,194
Others	14	50	-	-	271	274	-	-	-	-
	7,744	10,404	315	1,547	9,678	20,167	1,577	262	98	1,246

18 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.

19 Breakdown of sales

	Group			Group			Group		
	Continuing Operations			Discontinued Operations			Consolidated Total		
	1 Aug 2015 to 31 Jul 2016	1 Aug 2014 to 31 Jul 2015	Increase / (decrease)	1 Aug 2015 to 31 Jul 2016	1 Aug 2014 to 31 Jul 2015	Increase / (decrease)	1 Aug 2015 to 31 Jul 2016	1 Aug 2014 to 31 Jul 2015	Increase / (decrease)
\$'000	\$'000	%	\$'000	\$'000	%	\$'000	\$'000	%	
(a) Sales reported for first half year	3,988	5,654	(29.5%)	294	941	(68.7%)	4,282	6,595	(35.1%)
(b) Operating profit after tax before deducting minority interests reported for the first half year	(8,324)	883	(1042.7%)	(917)	(543)	68.9%	(9,241)	340	(2820.1%)
(c) Sales reported for second half year	3,756	4,750	(20.9%)	21	606	(96.5%)	3,777	5,356	(29.5%)
(d) Operating loss after tax before deducting minority interests reported for the second half year	(11,812)	1,868	N.M.	(498)	(1,897)	N.M.	(12,310)	(29)	N.M.

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

Not applicable. None.

21 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 Chairman and CEO
28 September 2016