

A-Smart Holdings Ltd

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Company Registration Number: 199902058Z



PRESS RELEASE

A-Smart Holdings achieves turnaround net profit of S\$0.13 million for FY2017 boosted by corporate restructuring efforts

- Recorded higher revenue of S\$7.87 million for FY2017 following corporate diversification and streamlining of business operations
- Strengthened balance sheet with improvement in cash position and reduction in total borrowings
- Implementing smart technologies, including cashless solution for F&B industry and circular economy for organic waste, in Singapore, while gaining early entry to market opportunities in East Timor (Timor Leste) and Kunming, China.

Singapore, 29 September 2017– SGX Mainboard-listed A-Smart Holdings Ltd (“A-Smart Holdings” or the “Group” or “智慧控股集团”) reported today a net profit for the 12 months ended 31 July 2017 (“FY2017”) of S\$0.13 million, reversing a net loss of S\$21.75 million from a year ago. The turnaround in the Group’s performance was largely bolstered by the Group’s corporate restructuring efforts over the past year.

The provider of integrated smart solutions recorded higher revenue of 1.7% year-on-year (“yoy”) to S\$7.87 million for FY2017, given contribution of S\$0.21 million in revenue from the Group’s media and events segment, on top of its profitable printing business.

In line with its continual efforts for corporate streamlining, staff costs and other operating expenses for FY2017 declined 17.0% and 22.8% respectively.

The net profit of S\$0.13 million the Group reported for FY2017 compares positively to the net loss of S\$0.68 million incurred by continuing operations (excluding the S\$19.67 million loss on disposal of investment in subsidiary corporations and the S\$1.41 million operating losses suffered by the sale companies in FY2016) a year ago.

Notably, the Group strengthened its balance sheet, ending the year with a stronger cash position, up 32.41% yoy to S\$3.67 million in cash and cash equivalents. Total borrowings declined to S\$1.39 million as at 31 July 2017 from S\$1.83 million a year ago.

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Mr Lim Huan Chiang, CEO of A-Smart Holdings, said:

“Amid the challenging economic conditions, we have managed to deliver profitability on the back of our corporate restructuring efforts, which we have embarked on since last year. These include the disposal of certain loss-making subsidiaries as well as the expansion into new business segments such as our Media and events, Smart technologies and Investment arm. While we are starting to see the fruits of our labour, we believe this is only the beginning of a new growth chapter.

Our new businesses have started gaining traction, most of which will contribute positively to our top line in the next financial year. We continue to be optimistic of the growth potential of our Smart technologies business at a time when Singapore is set to be transformed into a Smart Nation. Backed by favorable government initiatives, we believe that we are well poised to leverage on these opportunities. Concurrently, through our investment business unit, we aim to achieve sustainable growth through the broadening of our earnings base and injection of new revenue streams.

In line with our ongoing efforts to source for new growth opportunities, we recently announced our intention to carry out property investment and property development activities in East Timor. East Timor, a new emerging economy, is set to benefit from the growing infrastructure investments by the Government, and we believe that it is a market with aplenty opportunities. As this would be a new business venture for the Group, we will be convening an EGM soon to seek shareholders’ approval. Upon approval, A-Smart would be the first Singapore listed Company to foray into the East Timor market.

We are excited about the growth opportunities ahead and will continue to work hard to deliver positive results and enhance greater shareholder value.”

The Group announced on 31 July 2017 that its Smart technologies segment had secured its first major sales contract worth S\$1.2 million. In addition, the Group’s investment of a 10% stake in a supermarket chain under the Sheng Siong brand in China, is expected to commence business in Kunming in late 2017. The Group has also entered into a term sheet

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to take a 51% stake in a Joint Venture Company that will carry out property investment and property development, and other suitable future developments, in East Timor.

The Group is constantly strengthening the Smart technologies and Investment segments for positive contribution in FY2018.

– End of Press Release –

About A-Smart Holdings Ltd

Established in 1986, A-Smart provides a complete spectrum of integrated print solutions from pre-press processes to production systems as well as global distribution and delivery. Then known as Xpress Holdings, it was listed on SGX Mainboard on 28 June 1999. The Group serves a wide global base of local and MNC financial and corporate organisations.

Its products and services include the design, production and printing of time-sensitive and quick turnaround publications like Annual Reports, IPO prospectuses, shareholder circulars, fund management reports, brochures and newsletters.

The Group has expanded its business growth trajectories to include smart technology business, an investment business unit, and a media and events management arm.

Issued for and on behalf of A-Smart Holdings Ltd

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