



A-Smart Holdings Ltd.

(Registration No. 199902058Z)

**UNAUDITED RESULTS FOR THE
SECOND QUARTER ENDED 31 JANUARY 2017**

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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

	GROUP 3 MONTHS ENDED			GROUP 6 MONTHS ENDED			
	Note	31 Jan 2017	31 Jan 2016	Increase / (decrease)	31 Jan 2017	31 Jan 2016	Increase / (decrease)
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue		2,110	2,215	(4.7%)	3,986	3,988	(0.1%)
Other income	1	6	81	(92.6%)	81	158	(48.7%)
Total Revenue		2,116	2,296	(7.8%)	4,067	4,146	(1.9%)
Costs and expenses							
Changes in inventories of finished goods and work-in-progress		14	85	(83.5%)	33	164	(79.9%)
Raw materials and consumables used		(730)	(664)	9.9%	(1,295)	(1,093)	18.5%
Loss on disposal of investment in Subsidiary Corporations		-	(8,351)	N.M.	-	(8,351)	N.M.
Staff costs		(898)	(1,308)	(31.3%)	(1,766)	(2,252)	(21.6%)
Depreciation		(77)	(55)	40.0%	(157)	(109)	44.0%
Foreign currency (loss)/ gain		(8)	(3)	166.7%	(8)	196	(104.1%)
Other operating expenses	3	(370)	(584)	(36.6%)	(791)	(1,034)	(23.5%)
Finance costs	2	(16)	(8)	100.0%	(31)	(19)	63.2%
(Loss)/Profit before tax		31	(8,592)	(100.4%)	52	(8,352)	(100.6%)
Income tax (expense) / refund	4	(4)	-	N.M.	(4)	30	(113.3%)
Net (loss)/ profit of discontinued operations		-	(458)	N.M.	-	(918)	N.M.
Net (loss)/profit for the period		27	(9,050)	(100.3%)	48	(9,240)	(100.5%)
Attributable to:							
Equity holders of the parent		29	(9,050)	(100.3%)	50	(9,238)	(100.5%)
Non- controlling interests		(2)	-	N.M.	(2)	(2)	0.0%
Net (loss)/profit for the period		27	(9,050)	(100.3%)	48	(9,240)	(100.5%)

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-17		31-Jan-16		31-Jan-17		31-Jan-16	
	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	-	7	-
Rental income	-	-	-	-	7	-	-	-
Miscellaneous income	6	-	81	2	69	-	151	8
Total	6	-	81	2	81	-	158	8

Note 2 Finance costs comprise the following:

Note	3 MONTHS ENDED				6 MONTHS ENDED			
	31-Jan-17		31-Jan-16		31-Jan-17		31-Jan-16	
	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	-	-	(4)	-	-	-	(9)	-
Hire purchase interest	(16)	-	(4)	-	(31)	-	(10)	-
Total	(16)	-	(8)	-	(31)	-	(19)	-

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

Note 3 Other operating expenses include the following:

Note	3 MONTHS ENDED				6 MONTHS ENDED			
	31-Jan-17		31-Jan-16		31-Jan-17		31-Jan-16	
	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	(42)	0	(15)	(21)	(54)	-	(51)	(25)
Legal, professional and compliance expenses	(26)	-	(204)	(294)	(166)	-	(245)	(295)
Operating lease expense - office, factories and warehouses	(163)	-	(142)	(95)	(312)	-	(294)	(193)

Note 4 Income tax comprises the following:

Note	3 MONTHS ENDED				6 MONTHS ENDED			
	31-Jan-17		31-Jan-16		31-Jan-17		31-Jan-16	
	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	(4)	-	-	-	(4)	-	30	-

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

	GROUP 3 MONTHS ENDED			GROUP 6 MONTHS ENDED		
	31 Jan 2017 \$'000	31 Jan 2016 \$'000	Increase/ Decrease %	31 Jan 2017 \$'000	31 Jan 2016 \$'000	Increase/ Decrease %
Continuing Operations						
Net profit/ (loss) for the period from continuing operations	29	(8,592)	100.3%	50	(8,322)	100.6%
Other comprehensive (loss)/ income:						
Translation differences relating to financial statements of foreign subsidiary corporations	(11)	8	(237.5%)	(8)	(114)	93.0%
Other comprehensive income/ (loss) for the period from continuing operations	(11)	8	(237.5%)	(8)	(114)	93.0%
Total comprehensive income/ (loss) for the period from continuing operations	18	(8,584)	100.2%	42	(8,436)	100.5%
Discontinued Operations						
Net loss for the period from discontinued operations	-	(458)	N.M.	-	(918)	N.M.
Other comprehensive loss:						
Translation differences relating to financial statements of foreign subsidiary corporations	-	(1,065)	N.M.	-	(1,395)	N.M.
Translation differences arising on monetary items forming part of net investments in foreign operations	-	(366)	N.M.	-	(666)	N.M.
Other comprehensive loss for the period from discontinued operations	-	(1,431)	N.M.	-	(2,061)	N.M.
Total comprehensive loss for the period from discontinued operations	-	(1,889)	N.M.	-	(2,979)	N.M.
Total comprehensive income/ (loss) attributable to:						
Equity holders of the parent	20	(10,473)	100.2%	11	(11,413)	100.1%
Non-controlling interests	(2)	-	N.M.	31	(2)	N.M.
Total comprehensive income/ (loss) for the period from continuing operations	18	(10,473)	100.2%	42	(11,415)	100.4%

(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 2017	31 Jul 2016	31 Jan 2017	31 Jul 2016
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Plant and equipment	1,798	1,956	85	106
Investments in subsidiary corporations	-	-	6,010	6,000
Investment in associated company	1,377	-	-	-
	3,175	1,956	6,095	6,106
Current assets				
Inventories	145	112	-	-
Trade receivables	908	1,179	161	201
Other receivables	2,394	1,962	1,884	1,395
Non-trade amount due from subsidiary corporations	-	-	3,448	2,816
Cash and cash equivalents	4,133	2,768	2,749	1,944
	7,580	6,021	8,242	6,356
Total assets	10,755	7,977	14,337	12,462
Equity attributable to equity holders of the parent				
Share capital	134,220	130,301	134,220	130,301
Other reserves	(36)	(25)	54	57
Accumulated losses	(128,344)	(128,397)	(121,819)	(121,233)
	5,840	1,879	12,455	9,125
Non-controlling interests	147	178	-	-
Total equity	5,987	2,057	12,455	9,125
Non-current liabilities				
Obligations under finance lease	1,072	1,314	62	78
	1,072	1,314	62	78
Current liabilities				
Trade and other payables	3,159	4,064	695	3,228
Trade amount due to subsidiary corporations	-	-	59	-
Non-trade amount due to subsidiary corporations	-	-	1,036	-
Obligations under finance lease	515	520	30	30
Current tax payable	22	22	-	-
	3,696	4,606	1,820	3,258
Total liabilities	4,768	5,920	1,882	3,336
Total equity and liabilities	10,755	7,977	14,337	12,461

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 January 2017		As at 31 July 2016	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
515	-	520	-

Amount repayable after one year

As at 31 January 2017		As at 31 July 2016	
Secured	Unsecured	Secured	Unsecured
<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
1,072	-	1,314	-

Details of any collateral:

Secured borrowings at 31 January 2017 mainly refer to the following:

- a. Finance lease liabilities amounting to S\$1.59 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	
	2nd Quarter Ended		6 Months Ended	
	31 Jan 2017	31 Jan 2016	31 Jan 2017	31 Jan 2016
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit/ (loss) before taxation	31	(9,050)	52	(9,270)
Adjustments for:				
Interest expense	16	8	31	19
Depreciation of plant and equipment	77	242	157	517
Initial write down on asset held for sales	-	8,351	-	8,351
Operating profit/ (loss) before working capital changes	124	(449)	240	(383)
Changes in working capital:				
Inventories	(14)	(48)	(33)	(157)
Trade and other receivables	207	1,323	(161)	886
Trade and other payables	(1,770)	(545)	(1,593)	(1,702)
Cash used in operations	(1,453)	281	(1,547)	(1,356)
Income tax (paid)/ refunded	(4)	-	(4)	30
Cash flows used in operating activities	(1,457)	281	(1,551)	(1,326)
Investing activities				
Purchase of plant and equipment	-	-	-	(46)
Payment for investment in associated company	-	-	(689)	-
Cash flows used in investing activities	-	-	(689)	(46)
Financing activities				
Interest paid	(16)	(9)	(31)	(19)
Repayment of finance lease instalments	(128)	(26)	(247)	(40)
(Expenses)/ proceeds from issuance of shares	(51)	-	3,919	-
Proceeds from share warrants exercised	-	2,070	-	2,070
Cash flows (used in)/ generated from financing activities	(195)	2,035	3,641	2,011
Foreign currency translation adjustments	(6)	(1,267)	(36)	(1,867)
Net (decrease)/ increase in cash and cash equivalents	(1,658)	1,049	1,365	(1,228)
Cash and cash equivalents at beginning of the period	5,791	(224)	2,768	2,053
Cash and cash equivalents at end of the period	4,133	825	4,133	825

Explanatory notes to the consolidated cash flow statement

Note A. Cash and cash equivalents comprise the following:

	31 Jan 2017	31 Jan 2016
	\$'000	\$'000
Cash at bank and in hand	4,133	1,370
Fixed deposits	-	540
Cash and cash equivalents	4,133	1,910
Bank overdrafts (secured)	-	(545)
Fixed deposits pledged	-	(540)
Cash and cash equivalents in the cash flow statement	4,133	825

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

	Share capital \$'000	translation reserve \$'000	option reserve \$'000	Accumulated losses \$'000	classified as held for sale \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
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)
At 1 August 2016	130,301	(82)	57	(128,397)	-	1,879	178	2,057
Total comprehensive loss for the period	-	3	-	21	-	24	(33)	(9)
Issuance of ordinary shares pursuant to share placement	3,970	-	-	-	-	3,970	-	3,970
At 31 October 2016	134,271	(79)	57	(128,376)	-	5,873	145	6,018
Total comprehensive loss for the period	-	(11)	-	29	-	18	2	20
Share options lapsed	-	-	(3)	3	-	-	-	-
Expenses on issuance of ordinary shares pursuant to share placement	(51)	-	-	-	-	(51)	-	(51)
At 31 January 2017	134,220	(90)	54	(128,344)	-	5,840	147	5,987

Statement of Changes in Equity for the Company

Attributable to equity holders of the Company

	Share capital	Share option reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
At 1 August 2015	125,033	706	(118,871)	6,868
Total comprehensive loss for the period	-	-	(113)	(113)
At 31 October 2015	125,033	706	(118,984)	6,755
Total comprehensive loss for the period	-	-	(435)	(435)
Exercise of share warrants	2,070	-	-	2,070
At 31 January 2016	127,103	706	(119,419)	8,390
At 1 August 2016	130,301	57	(121,233)	9,125
Total comprehensive loss for the period	-	-	(334)	(334)
Issuance of ordinary shares pursuant to share placement	3,970	-	-	3,970
At 31 October 2016	134,271	57	(121,567)	12,761
Total comprehensive loss for the period	-	-	(255)	(255)
Expenses on issuance of ordinary shares pursuant to share placement	(51)	-	-	(51)
Share options lapsed	-	(3)	3	-
At 31 January 2017	134,220	54	(121,819)	12,455

- 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 second quarter ended 31 January 2017.

Share Options

The Company has a share option scheme known as the 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 January 2017, there were 90,000 (31 July 2016: 97,500) outstanding share options which would entitle the holders to subscribe for a total of 90,000 ordinary shares of the Company (31 July 2016: 97,500) at a weighted average exercise price of S\$7.20 (31 July 2016: 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 January 2017 was 112,626,362 (31 July 2016: 106,912,080). There were no treasury shares held by the Company at 31 January 2017.

- 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 2016.

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 2016, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 August 2016.

Financial Reporting Standards (“FRS”) which became effective for the Group’s financial period beginning 1 August 2016 are:

- Amendments to FRS 7 Disclosure Initiative
- Amendments to FRS 12 Recognition of Deferred Tax Assets for Unrealised Losses
- FRS 109 Financial Instruments
 - Illustrative Examples
 - Implementation Guidance
 - Amendments to Guidance on Other Standards
- FRS 115 Revenue from Contracts with Customers
- FRS 116 Leases
- Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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			
	2nd Quarter (3 Months)		Six Months (6 Months)	
	31 Jan 2017	31 Jan 2016	31 Jan 2017	31 Jan 2016
6(a) Based on the weighted average number of ordinary shares on issue (in cents)				
- Continuing operations	0.0240	(9.1997)	0.0437	(9.3369)
- Discontinued operations	-	(0.7218)	-	(1.0291)
Weighted average number of ordinary shares (in million)	112.63	91.23	109.80	89.15
6(b) On a fully diluted basis (in cents)				
- Continuing operations	0.0240	(9.1997)	0.0437	(9.3369)
- Discontinued operations	-	(0.7218)	-	(1.0291)
Weighted average number of ordinary shares (in million)	112.63	91.23	109.80	89.15

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 2017	31 Jan 2016	31 Jan 2017	31 Jan 2016
Net asset value per ordinary share based on issued share capital at the end of the financial period / year (in cents)	5.32	(0.75)	11.06	8.72

Net asset value per ordinary share as at 31 January 2017 is calculated based on the existing issued share capital of 112,626,482 ordinary shares outstanding as at 31 January 2017 (31 January 2016: 96,198,200).

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) INCOME STATEMENT

Revenue

Business Activity	1st Quarter ended (3 months)			
	31 Jan 17 S\$'mil	31 Jan 16 S\$'mil	+ / (-) S\$'mil	+ / (-) %
Printing revenue	2.01	2.22	(0.21)	(9.5%)
Media and events revenue	0.10	-	0.10	n.m.
	2.11	2.22	(0.11)	(5.0%)

Overview

The Group's revenue for 2Q2017 is mainly derived from its printing segment. For 2Q2017, the Group recorded Printing Revenue of S\$2.01 million, a 9.5% decrease from the previous corresponding quarter. This is mainly due to a decline in the seasonal printing orders.

The media and events segment made its maiden contribution of S\$0.1 million to the Group in 2Q2017.

The Group's smart technology business segment has yet to commit any sales delivery in 2Q2017.

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

In 2Q2017, the cost of raw materials and consumables such as paper, films and plates increased by 9.9% to S\$0.73 million compared to S\$0.66 million in 2Q2016, mainly due to an increase in the price of paper as well as more expensive raw materials used by the printing plant's new machine.

Other income

Other income was S\$6,000 in 2Q2017 compared to S\$81,000 in 2Q2016 due to lesser sale of scrap paper and the absence of government grants in 2Q2017.

Staff costs

Staff costs for 2Q2017 was S\$0.9 million, 31.3% lower than the S\$1.3 million in 2Q2016, mainly due to cost cutting measures in the current financial year.

Depreciation

Depreciation charges for 2Q2017 were higher than that of 2Q2016 mainly due to the depreciation charges recorded for the new offset printing machine.

Other operating expenses

Other operating expenses were 36.6% lower in 2Q2017 compared to 2Q2016, mainly due to lower legal and professional fees incurred in 2Q2017.

Taxation

There was no taxation for the Group's current year results as the profitable companies within the Group had tax losses from prior years available for set off against the current year's taxable income.

STATEMENT OF FINANCIAL POSITION

Property, plant and equipment

The Group's plant and equipment of S\$1.8 million was lower at the end of 2Q2017 compared to 31 October 2016 due to the depreciation charge in the current quarter.

Investment in associated company

The investment in associated company refers to the 10% interest that the Group holds in the newly formed joint venture company, Sheng Siong (China) Supermarket Co., Ltd.

Trade and other receivables

Trade receivables decreased by S\$0.56 million from S\$1.47 million as at 31 October 2016 to S\$0.91million as at 31 January 2017 mainly due to an improvement in debtors turnover days for the Group.

Other receivables increased by S\$0.36 million to S\$2.4 million as at 31 January 2017 from S\$2.04 million as at 31 October 2016 mainly due to advances made to the target company of a proposed acquisition in 2Q2017. The proposed acquisition was cancelled and the deposit and advances previously made to the target company have been repaid in the subsequent quarter.

Trade and other payables

Trade and other payables decreased from S\$4.93 million as at 31 October 2016 to S\$3.16 million as at 31 January 2017 manly due to settlement of the Group's obligations as its operating cash flow improves.

Borrowings

The Group's borrowings consist only of finance lease obligations and the quarterly decline from 31 October 2016 to 31 January 2017 is due to the instalment payments made during 2Q2017.

REVIEW OF CASH FLOWS

The Group's cash and cash equivalents decreased by S\$1.7 million in 2Q2017 mainly due to the decline in trade and other payables during the current quarter.

There are no other material factors that affected the results, cash flow and the statement of financial position of the Group during the current 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 has remained profitable in the second quarter of FY2017 and for the six months ending 31 January 2017, following the disposal of certain loss-making subsidiary corporations in the previous financial year.

Amidst the growth of the digital media industry, the Group has intensified efforts to build value-added and managed print services, besides expanding more greatly towards the commercial print market. This allows the Group to leverage on the upside of its existing print capability.

Following restructuring, the Group has also decisively embarked on diversification towards smart technologies for urban living. A brief update of the new business segments is as follows:

Media and events management segment

In 2Q2017, the Group's media and events management arm contributed its maiden revenue contribution from its first event, *Legend of the Moon*. The Group will be organising its next theatre show in mid-2017.

Smart technologies segment

The smart technology business is poised to commence business in the next quarter. The Group develops smart business software solutions that are aimed at raising productivity and sales by customising the technological solutions for our clients, particularly in the F&B sector, to achieve automation in their business processes (the "primary software solution"). Once the primary software solution is implemented, our clients can implement on an optional basis the enhanced software solutions to handle the customer relationship management, smart e-Payment gateway, enterprise resource planning, and waste management etc. Barring any unforeseen circumstances, the smart technology segment is expected to contribute positively to the overall performance of the Group in the current 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) As announced on 9 March 2017, the proceeds from the Share Placement of 5,712,282 shares on 21 October 2016 were partially utilised as follows:

	Use of Proceeds from Share Placement (S\$'000)
Balance proceeds from the last announced	3,948
<u>Less:</u>	
Investment in newly incorporated subsidiaries	223
General working capital (made up of):	926
▪ Long and outstanding trade and other payables	96
▪ Corporate expenses (legal, professional and compliance fees)	245
▪ Outstanding staff salaries	462
▪ Directors' fees	123
Total net proceeds balance from the Placement	2,799

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 January 2017 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.

BY ORDER OF THE BOARD

Lim Huan Chiang
Executive Director and Chief Executive Officer
16 March 2017