



ADVANCED SYSTEMS AUTOMATION LIMITED

(Company Registration No: 198600740M)
(Incorporated in the Republic of Singapore)

Results for the Financial Year Ended
31 December 2015

Unaudited Financial Statements and Dividend Announcement

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

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ADVANCED SYSTEMS AUTOMATION LIMITED

(Company Registration No: 198600740M)
(Incorporated in the Republic of Singapore)

Results for the Financial Year Ended 31 December 2015 Unaudited Financial Statements and Dividend Announcement

The Board of Directors of the Company announces the unaudited financial results of the Group and the Company for the financial year ended 31 December 2015.

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			Group		
	Fourth Quarter Ended			Full Year Ended		
	31/12/2015	31/12/2014	Change	31/12/2015	31/12/2014	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Sales revenue	6,598	8,305	(21)	24,066	34,827	(31)
Costs of sales	(6,015)	(5,900)	2	(21,375)	(25,892)	(17)
Gross profit	583	2,405	(76)	2,691	8,935	(70)
Selling and marketing costs	(530)	(640)	(17)	(2,419)	(2,497)	(3)
Research and development costs	(141)	(231)	(39)	(1,310)	(846)	55
General and administrative costs	(1,411)	(1,595)	(12)	(6,469)	(6,094)	6
Foreign exchange (loss)/gain	(219)	88	NM	(543)	132	NM
Total operating costs	(2,301)	(2,378)	(3)	(10,741)	(9,305)	15
Operating (loss)/profit before finance costs	(1,718)	27	NM	(8,050)	(370)	NM
Finance costs, net	(87)	(74)	18	(328)	(273)	20
Operating loss before exceptional items	(1,805)	(47)	NM	(8,378)	(643)	NM
Exceptional items	(9,815)	-	NM	(9,815)	-	NM
Operating loss before taxation	(11,620)	(47)	NM	(18,193)	(643)	NM
Taxation	627	(32)	NM	231	(407)	NM
Net loss for the period/year	(10,993)	(79)	NM	(17,962)	(1,050)	NM
<u>Attributable to:</u>						
Owners of the Company	(10,300)	(64)	NM	(17,037)	(1,068)	NM
Non-controlling interests	(693)	(15)	NM	(925)	18	NM
Net loss for the period/year	(10,993)	(79)	NM	(17,962)	(1,050)	NM

NM: Not meaningful

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year

	<u>Group</u>		<u>Group</u>	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>31/12/2015</u>	<u>31/12/2014</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Operating loss before tax is stated after crediting/(charging):				
- Interest income	1	2	7	5
- Interest expense	(86)	(70)	(317)	(252)
- Depreciation of property, plant and equipment	(569)	(529)	(2,489)	(1,794)
- Amortisation of intangible assets	(51)	(51)	(204)	(204)
- Impairment loss on club membership	-	-	(50)	-
- Property, plant and equipment written off	(4)	(2)	(4)	(100)
- Gain/(loss) on disposal of property, plant and equipment	53	(1)	26	12
- (Impairment loss)/reversal of impairment loss on trade receivables	(88)	1	(89)	50
- Impairment loss on other receivables	-	(23)	-	(23)
- (Allowance for)/write-back of stock obsolescence	(318)	(52)	(513)	241
- Inventories write-back/(write-off) directly to income statement	39	(5)	(11)	-
Exceptional Items:				
- Impairment loss on property, plant and equipment	(8,110)	-	(8,110)	-
- Impairment in value of goodwill	(1,705)	-	(1,705)	-
	<u>(9,815)</u>	<u>-</u>	<u>(9,815)</u>	<u>-</u>

Statement of Comprehensive income

	<u>Group</u>			<u>Group</u>		
	<u>Fourth Quarter Ended</u>			<u>Full Year Ended</u>		
	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>Change</u>	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>Change</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
Net loss for the period/year	(10,993)	(79)	NM	(17,962)	(1,050)	NM
Other comprehensive income:						
<u>Items that may be reclassified subsequently to profit or loss:</u>						
Exchange differences arising from consolidation of foreign operations	651	(7)	NM	66	(45)	NM
Total comprehensive income for the period/year	<u>(10,342)</u>	<u>(86)</u>	NM	<u>(17,896)</u>	<u>(1,095)</u>	NM
<u>Total comprehensive income attributable to:</u>						
Owners of the Company	(9,689)	(65)	NM	(17,001)	(1,109)	NM
Non-controlling interests	(653)	(21)	NM	(895)	14	NM
Total comprehensive income for the period/year	<u>(10,342)</u>	<u>(86)</u>	NM	<u>(17,896)</u>	<u>(1,095)</u>	NM

NM: Not meaningful



1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Intangible assets	60	2,278	45	95
Property, plant and equipment	3,949	12,303	-	-
Investments in subsidiaries	-	-	10,522	19,686
Deferred tax assets	157	94	-	-
Total non-current assets	4,166	14,675	10,567	19,781
Current assets				
Inventories	2,421	3,524	-	-
Trade receivables, net	6,674	8,851	-	1
Prepayments and advances	381	314	6	8
Other receivables, net	274	271	-	-
Amounts due from subsidiaries	-	-	11,203	6,407
Amounts due from related companies	1,281	1,892	-	-
Cash and cash equivalents	3,071	5,844	57	2,290
	14,102	20,696	11,266	8,706
Non-current assets held for sale	-	2,215	-	-
Total current assets	14,102	22,911	11,266	8,706
TOTAL ASSETS	18,268	37,586	21,833	28,487
EQUITY AND LIABILITIES				
Current liabilities				
Payables and accruals	6,844	8,494	272	253
Income tax payable	183	430	-	-
Lease creditors	199	444	-	-
Loans and borrowings	230	1,704	-	-
Amounts due to subsidiaries	-	-	881	1,289
Amounts due to related companies	295	181	22	14
Amounts due to holding company	6,027	4,291	5,970	3,947
Total current liabilities	13,778	15,544	7,145	5,503
NET CURRENT ASSETS	324	7,367	4,121	3,203
Non-current liabilities				
Deferred tax liabilities	239	830	-	-
Lease creditors	-	228	-	-
Loans and borrowings	751	938	-	-
Amounts due to holding company	1,350	-	1,350	-
Total non-current liabilities	2,340	1,996	1,350	-
TOTAL LIABILITIES	16,118	17,540	8,495	5,503
NET ASSETS	2,150	20,046	13,338	22,984
Equity attributable to the owners of the Company				
Share capital	130,965	130,965	130,965	130,965
Reserves	(128,202)	(111,201)	(117,627)	(107,981)
	2,763	19,764	13,338	22,984
Non-controlling interests	(613)	282	-	-
TOTAL EQUITY	2,150	20,046	13,338	22,984
TOTAL EQUITY AND LIABILITIES	18,268	37,586	21,833	28,487

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

<u>As at 31/12/2015</u>		<u>As at 31/12/2014</u>	
<u>S\$'000</u>		<u>S\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
230	-	1,704	-

Amount repayable after one year

<u>As at 31/12/2015</u>		<u>As at 31/12/2014</u>	
<u>S\$'000</u>		<u>S\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
751	-	938	-

Details of any collateral

The aggregate amount due to financial institutions of S\$981,000 (31/12/14: S\$2,642,000) is secured on a building and certain plant and machinery of the Group.

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

	Group	
	31/12/2015	31/12/2014
	S\$'000	S\$'000
OPERATING ACTIVITIES		
Operating loss before taxation	(18,193)	(643)
Adjustments for:		
Depreciation of property, plant and equipment	2,489	1,794
Amortisation of intangible assets	204	204
Property, plant and equipment written off	4	100
Gain on disposal of property, plant and equipment	(26)	(12)
Impairment loss on property, plant and equipment	8,110	-
Impairment loss on club membership	50	-
Impairment in value of goodwill	1,705	-
Impairment loss/(reversal of impairment loss) on trade receivables	89	(50)
Impairment loss on other receivables	-	23
Allowance for/(write-back of) stock obsolescence	513	(241)
Provision for warranty	1	5
Interest income	(7)	(5)
Interest expense	317	252
Effect of exchange loss	898	21
Operating cash flows before changes in working capital	(3,846)	1,448
<u>Changes in working capital</u>		
Decrease in inventories	590	970
Decrease in receivables	2,018	19
Decrease/(increase) in amount due from related companies	611	(1,502)
Decrease in payables	(1,651)	(2,297)
Increase in amount due to related companies	114	80
(Decrease)/increase in amount due to holding company	(327)	70
Cash used in operations	(2,491)	(1,212)
Interest received	7	5
Interest paid	(317)	(252)
Taxes paid	(596)	(466)
Net cash used in operating activities	(3,397)	(1,925)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,051)	(1,713)
Share issuance expenses relating to acquisition of additional interests in a subsidiary	-	(8)
Proceeds from disposal of property, plant and equipment	153	13
Net cash flows used in investing activities	(898)	(1,708)
FINANCING ACTIVITIES		
Proceeds from share placement	-	3,100
Expenses relating to share placement	-	(10)
Payment to lease creditors	(411)	(439)
Repayment of bank borrowings	(1,386)	(37)
Loan from holding company	3,413	2,300
Net cash flow generated from financing activities	1,616	4,914
Net (decrease)/increase in cash and cash equivalents	(2,679)	1,281
Cash and cash equivalents at beginning of year	5,731	4,420
Effect of exchange rate changes on cash and cash equivalents	(62)	30
Cash and cash equivalents at end of year	2,990	5,731
Cash and cash equivalents comprised of:		
Cash and bank balances	3,071	5,844
Less: bank overdraft	(81)	(113)
	2,990	5,731



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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Attributable to Members of the Company					Equity attributable to owners of parent, Total	Non-controlling Interests	Equity Total
	Issued capital	Accumulated losses	Foreign currency translation reserve	Reserve on merger	Capital reserve			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
Balance at 1 January 2015	130,965	(109,457)	1,620	(2,136)	(1,228)	19,764	282	20,046
Loss for the year	-	(17,037)	-	-	-	(17,037)	(925)	(17,962)
<u>Other comprehensive income for the year</u> - Foreign currency translation	-	-	36	-	-	36	30	66
Total comprehensive income for the year	-	(17,037)	36	-	-	(17,001)	(895)	(17,896)
Balance at 31 December 2015	130,965	(126,494)	1,656	(2,136)	(1,228)	2,763	(613)	2,150



ADVANCED SYSTEMS AUTOMATION LIMITED
 Results for the Financial Year Ended 31 December 2015
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Group	Attributable to Members of the Company						Non-controlling Interests	Equity Total
	Issued capital	Accumulated losses	Foreign currency translation reserve	Reserve on merger	Capital reserve	Equity attributable to owners of parent, Total		
		Distributable						
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance at 1 January 2014 (Restated)	125,610	(108,389)	1,661	(2,136)	-	16,746	1,313	18,059
(Loss)/profit for the year	-	(1,068)	-	-	-	(1,068)	18	(1,050)
<u>Other comprehensive income for the year</u>								
Foreign currency translation	-	-	(41)	-	-	(41)	(4)	(45)
Other comprehensive income for the year	-	-	(41)	-	-	(41)	(4)	(45)
Total comprehensive income for the year	-	(1,068)	(41)	-	-	(1,109)	14	(1,095)
<u>Contributions by and distributions to equity owners</u>								
- Issuance of shares pursuant to acquisition of additional interests in a subsidiary without a change in control	2,273	-	-	-	(1,228)	1,045	(1,045)	-
- Issuance of shares pursuant to share placement	3,100	-	-	-	-	3,100	-	3,100
- Share issuance expenses	(18)	-	-	-	-	(18)	-	(18)
Total contributions by and transactions with owners in their capacity as owners	5,355	-	-	-	(1,228)	4,127	(1,045)	3,082
Balance at 31 December 2014	130,965	(109,457)	1,620	(2,136)	(1,228)	19,764	282	20,046

Company	Issued Capital	Accumulated Losses	Total
	S\$'000	S\$'000	S\$'000
Balance at 1 January 2015	130,965	(107,981)	22,984
Loss for the year	-	(9,646)	(9,646)
Balance at 31 December 2015	130,965	(117,627)	13,338
Balance at 1 January 2014	125,610	(103,576)	22,034
Loss for the year	-	(4,405)	(4,405)
<u>Contributions by and distributions to equity owners</u>			
- Issuance of shares pursuant to acquisition of additional interests in a subsidiary	2,273	-	2,273
- Issuance of shares pursuant to share placement	3,100	-	3,100
- Share issuance expenses	(18)	-	(18)
Total contributions by and distributions to owners in their capacity as owners	5,355	-	5,355
Balance at 31 December 2014	130,965	(107,981)	22,984

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 or 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

	<u>Company</u>	
	<u>No. of ordinary shares</u>	<u>Issued and paid-up share capital</u> S\$'000
Balance as at 30 September 2015 and 31 December 2015	2,637,354,343	130,965

The Company did not have any outstanding convertible securities or treasury shares as at 31 December 2015 and 31 December 2014.

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

Total number of issued shares excluding treasury shares was 2,637,354,343 as at 31 December 2015 (31 December 2014: 2,637,354,343).

1(d)(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable. The Company does not have any treasury shares.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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

Other than the adoption of the amended Financial Reporting Standards (FRS) that are effective from the current financial period reported on, the accounting policies and methods of computation applied by the Group in the financial statements for the financial year ended 31 December 2015, are consistent with those of the audited financial statements for the financial year ended 31 December 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 adoption of the amended FRS is assessed to have no material impact to the financial position or financial performance of the Group.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	<u>Group</u> <u>Fourth Quarter Ended</u>		<u>Group</u> <u>Full Year Ended</u>	
	<u>31/12/2015</u>	<u>31/12/2014</u>	<u>31/12/2015</u>	<u>31/12/2014</u>
Loss per ordinary share for the period/year based on net loss attributable to shareholders:				
(a) Based on weighted average number of ordinary shares in issue (cents)	(0.39)	(0.003)	(0.65)	(0.06)
Weighted average number of ordinary shares	2,637,354,343	1,948,465,457	2,637,354,343	1,930,779,802
(b) On a fully diluted basis (cents)	(0.39)	(0.003)	(0.65)	(0.06)

The diluted loss per share is the same as the basic loss per share as there were no outstanding convertible securities for both financial years ended 31 December 2015 and 31 December 2014.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share capital excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

Net asset value per ordinary share (cents)

<u>Group</u>		<u>Company</u>	
<u>31/12/2015</u>	<u>31/12/2014</u>	<u>31/12/2015</u>	<u>31/12/2014</u>
0.10	0.75	0.51	0.87

The net asset value per ordinary share as at 31 December 2015 was calculated based on the total number of issued shares (excluding treasury shares) of 2,637,354,343 (31 December 2014: 2,637,354,343).

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

As compared to FY2014, the Group saw 31% decline in revenue in the twelve months ended 31 December ("FY") 2015. Revenues of Equipment business and Equipment Contract Manufacturing Services ("ECMS") business declined 22% and 34% respectively, mainly due to lower customers' demands in view of weaker economic conditions.

In the fourth quarter ended 31 December ("4Q") 2015, the Group's revenue was 21% lower as compared to 4Q2014. The Equipment business recorded an increase in revenue of 12% in 4Q2015 as compared to 4Q2014. The ECMS business posted a decline of 34% in revenue in 4Q2015 as compared to 4Q2014 mainly due to lower customers' demands in view of weaker economic conditions.

Gross profit margin ("GPM") in FY2015 was lower by 15 percentage points ("ppt") as compared to FY2014. GPM of the Equipment business in FY2015 was 3ppt higher as compared to FY2014 while GPM of the ECMS business in FY2015 was 21ppt lower as compared to FY2014 due to fixed overhead costs and lower sales in FY2015.

GPM of the Group was 20ppt lower in 4Q2015 as compared to 4Q2014. GPM of the Equipment business in 4Q2015 declined 6ppt as compared to 4Q2014 mainly due to a change in sales mix. GPM of the ECMS business in 4Q2015 was lower by 37ppt as compared to 4Q2014 due to fixed overhead costs and lower sales in 4Q2015.

Selling and marketing ("S&M") costs in FY2015 and 4Q2015 were 3% and 17% lower as compared to FY2014 and 4Q2014 respectively. S&M costs incurred by the ECMS business in FY2015 and 4Q2015 were 10% and 20% lower as compared to FY2014 and 4Q2014 respectively, due to the reallocation of certain marketing personnel from ECMS business to Equipment business. S&M costs incurred by the Equipment business in FY2015 and 4Q2015 were 9% higher and 12% lower as compared to FY2014 and 4Q2014 respectively. S&M costs in 4Q2015 declined mainly due to costs restructuring exercise undertaken in that quarter.

Research & development ("R&D") costs in FY2015 were 55% higher than the amount incurred in FY2014. This was due to increased R&D activities undertaken for the expanded product portfolio of the Equipment business. R&D costs in 4Q2015 were 39% lower as compared to 4Q2014.

General and administrative ("G&A") costs in FY2015 and 4Q2015 were 6% higher and 12% lower as compared to FY2014 and 4Q2015 respectively. G&A costs in FY2015 increased due to recruitment of new senior management personnel in late year 2014 for the ECMS business. G&A costs in 4Q2015 decreased due to a write-back of management incentive that was over provided in prior year.

Finance costs incurred in FY2015 and 4Q2015 were 20% and 18% higher as compared to FY2014 and 4Q2014 respectively, mainly due to higher interest payments to the holding company, ASTI Holdings Limited, for increased loans advanced to the Group.

Depreciation of property, plant and equipment increased in FY2015 and 4Q2015 due to additional purchase of property, plant and equipment in FY2015.

Exceptional items amounted to S\$9.8 million due to impairment losses on property, plant and equipment and goodwill as a result of the weaker business environment. The goodwill arose from the acquisition of ASA Multiplate (M) Sdn Bhd in September 2013.

The Group reported a net loss attributable to owners of the Company of S\$17.0 million in FY2015 as compared to a lower net loss of S\$1.1 million in FY2014. Net loss attributable to owners of the Company in 4Q2015 was S\$10.3 million as compared to the net loss of S\$64,000 in 4Q2014.

Balance Sheet

Intangible assets decreased mainly due to a S\$1.7 million impairment of goodwill. The value of intangible assets also declined due to amortisation of customer relationships, impairment loss on a club membership and the fluctuating asset values due to the volatility of Ringgit Malaysia.

Property, plant and equipment ("**PPE**") decreased mainly due to a S\$8.1 million impairment on the assets. Depreciation charges recognised during the year and the fluctuating asset values due to the volatility of Ringgit Malaysia also caused the decrease in PPE as major portion of the Group's PPE is denominated in this currency. The decline in PPE was partially offset by additional purchases made during the year as well as the reclassification of a leasehold land and building from non-current assets held for sale to PPE (as further discussed below).

Inventories decreased due to lesser inventory purchases in view of lower customers' demands in FY2015.

Trade receivables decreased due to lower sales billings in 4Q2015.

As at 31 December 2014, non-current assets held for sale relate to the leasehold land and building which the Group had, on 2 September 2014, entered into an agreement to dispose. The parties to the agreement had mutually agreed to terminate the agreement, and accordingly, the leasehold land and building were reclassified from non-current assets held for sale to PPE.

Payables and accruals decreased mainly due to lower inventory purchases in FY2015.

Amount due to lease creditors as well as loans and borrowings decreased due to repayment during the year.

Amounts due to holding company include funding from the holding company for the working capital requirements of the Group.

As at 31 December 2015, the Group had net current assets of S\$0.3 million and total shareholders' equity of S\$2.2 million.

Cash Flows

Cash flows used for the Group's operations in FY2015 amounted to S\$2.5 million. This was mainly due to the operating loss for the year, partly offset by an improvement in working capital. Amounts paid for interests and taxes amounted to S\$0.9 million. A net amount of S\$0.9 million was used in investing activities, mainly for the purchase of property, plant and equipment. An amount of S\$3.4 million loan was extended by the holding company for working capital requirements of the Group. A total of S\$1.8 million was repaid to lease creditors and financial institutions.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or prospect statement was previously disclosed to shareholders.



10. A commentary at the date of the announcement of the 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 on-going weakness in the global economy continues to depress business sentiment globally.

We expect the on-going uncertainties in the global economy to affect demand and therefore we will be managing our business with increased caution.

Our business is prone to economic uncertainties and the cyclical nature of the semiconductor industry. Other unforeseeable factors including but not limited to foreign exchange fluctuations, intellectual property litigations, product and technology obsolescence, and inventory adjustments continue to be challenges that we may encounter. In view of these factors, we will remain prudent and cautious in the management of our business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for 4Q2015.

13. Interested person transactions

Name of Interested Person	Aggregate value of interested person transactions entered into during the financial period under review (excluding transactions below \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a)) S\$	Aggregate value of interested person transactions conducted under shareholders' mandate pursuant to Rule 920(1)(a) (excluding transactions below \$100,000) S\$
ASTI Holdings Limited	Nil	2,049,000*

* Related to trade sales to a subsidiary of ASTI Holdings Limited.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented 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

<u>Business segment</u>	Equipment		ECMS		Adjustment and elimination		Consolidated	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
Sales to external customers	6,118	7,822	17,948	27,005	-	-	24,066	34,827
Inter-segment sales ⁽¹⁾	-	-	741	1,347	(741)	(1,347)	-	-
Total revenue	6,118	7,822	18,689	28,352	(741)	(1,347)	24,066	34,827
EBITDA ⁽²⁾	(3,076)	(1,666)	(12,172)	3,284	58	(16)	(15,190)	1,602
Depreciation	(29)	(30)	(2,460)	(1,764)	-	-	(2,489)	(1,794)
Amortisation	-	-	(204)	(204)	-	-	(204)	(204)
Interest expense	(196)	(64)	(131)	(198)	10	10	(317)	(252)
Interest income	10	10	7	5	(10)	(10)	7	5
(Loss)/profit before income tax	(3,291)	(1,750)	(14,960)	1,123	58	(16)	(18,193)	(643)
Income tax	(6)	186	237	(593)	-	-	231	(407)
(Loss)/profit for the year	(3,297)	(1,564)	(14,723)	530	58	(16)	(17,962)	(1,050)
<u>Other information:</u>								
Exceptional items	-	-	(9,815)	-	-	-	(9,815)	-
Segment assets	3,665	7,967	14,678	29,697	(75)	(78)	18,268	37,586
Segment liabilities	(8,765)	(5,729)	(7,353)	(11,811)	-	-	(16,118)	(17,540)
Additions to non-current assets ⁽³⁾	69	44	982	1,669	-	-	1,051	1,713

(1) Inter-segment revenues are eliminated on consolidation.

(2) Elimination of unrealised gains and losses arising from inter-segment transactions.

(3) Additions to non-current assets relate to additions to property, plant and equipment.

The following table presents revenue and non-current assets information regarding the Group's geographical segments for the years ended 31 December 2015 and 31 December 2014.

<u>Geographical segment</u>	Revenues		Non-current assets	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
China	9,299	11,849	1,594	2,352
South East Asia	11,258	19,374	2,415	12,229
America	879	902	-	-
Europe	2,109	2,066	-	-
Others	521	636	-	-
Total	24,066	34,827	4,009	14,581

Non-current assets information presented above consist of intangibles assets and property, plant and equipment.

15. 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 note 8 above.

16. A breakdown of sales

Group	FY2015 S\$'000 Group	FY2014 S\$'000 Group	Increase/ (decrease) S\$'000 Group
(a) Sales reported for first six months	12,144	16,965	(4,821)
(b) Sales reported for subsequent six months	11,922	17,862	(5,940)
(c) Net loss after tax before deducting minority interests reported for first six months	(3,989)	(379)	(3,610)
(d) Net loss after tax before deducting minority interests reported for subsequent six months	(13,973)	(671)	(13,302)

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

Not applicable.

18. Disclosure of person occupying a managerial position in the issuer of 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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Loh Choon Piew	55	Nephew of Executive Chairman, Dato' Loh Soon Gnee	<u>Microfits Pte Ltd</u> Vice President, Operations (since Dec 2014) <u>Duties:</u> Oversees the business operations of the Equipment Contract Manufacturing Services division	No change



Dato' Loh Choon Khiang	53	Nephew of Executive Chairman, Dato' Loh Soon Gnee	Microfits Pte Ltd Vice President, Business Development (since Dec 2014) <u>Duties:</u> In charge of business development of the Equipment Contract Manufacturing Services division	No change
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19. Negative Confirmation by the Board pursuant to Rule 705(5)

Not applicable to full year announcement.

20. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

We hereby confirm that we have procured all the required undertakings from all the Directors and Executive Officers of the Company (in the format set out in Appendix 7H) under Rule 720(1).

BY ORDER OF THE BOARD

Dato' Michael Loh Soon Gnee
Executive Chairman and CEO

26 February 2016