

The Directors are pleased to make the following announcement of the unaudited results for the financial year ended 31 December 2017.

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		
	S\$'000		%	S\$'000		%
	31/12/17	31/12/16	Change	31/12/17	31/12/16	Change
Revenue	30,738	30,992	(1%)	123,905	141,883	(13%)
Cost of sales	(19,378)	(20,052)	(3%)	(79,854)	(96,105)	(17%)
Gross profit	11,360	10,940	4%	44,051	45,778	(4%)
Other income	227	155	46%	1,045	775	35%
Marketing and distribution	(2,422)	(3,220)	(25%)	(10,621)	(12,356)	(14%)
Research and development	(2,853)	(2,961)	(4%)	(11,713)	(12,525)	(6%)
Administrative expenses	(6,725)	(5,523)	22%	(24,319)	(25,404)	(4%)
Other expenses, net	(10,381)	(1,333)	679%	(9,363)	(2,278)	311%
Operating expenses	(22,381)	(13,037)	72%	(56,016)	(52,563)	7%
Operating loss	(10,794)	(1,942)	456%	(10,920)	(6,010)	82%
Finance costs, net	(283)	(366)	(23%)	(1,247)	(1,309)	(5%)
Share of results of associates, net of tax	(1,046)	1	NM	(1,049)	(7)	NM
Loss before tax	(12,123)	(2,307)	425%	(13,216)	(7,326)	80%
Income tax expense/(tax credit)	3	1,588	(100%)	(1,387)	(37)	NM
Net loss for the period/year	(12,120)	(719)		(14,603)	(7,363)	
Attributable to :						
Owners of the Company	(6,325)	2,187	NM	(4,397)	1,038	NM
Non-controlling interests	(5,795)	(2,906)	99%	(10,206)	(8,401)	21%
Net loss for the period/year	(12,120)	(719)		(14,603)	(7,363)	

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

Net loss for period/year is derived after crediting/(charging) the following:

- Interest income
- Interest on borrowings
- Depreciation of property, plant and equipment
- Depreciation of investment properties
- Amortisation of intangible assets
- Write-back of/(allowance on) trade receivables
- (Allowance on)/write-back of non-trade receivables
- Net write back of/(allowance for) stock obsolescence
- Over provision of income tax in respect of prior years

Group			Group		
Fourth Quarter Ended			Full Year Ended		
S\$'000		%	S\$'000		%
31/12/17	31/12/16	Change	31/12/17	31/12/16	Change
58	24	142%	152	129	18%
(265)	(319)	(17%)	(1,097)	(1,128)	(3%)
(1,081)	(1,374)	(21%)	(5,296)	(5,823)	(9%)
(4)	(4)	0%	(17)	(4)	325%
-	(25)	NM	-	(113)	NM
6	(55)	NM	(48)	(2,643)	(98%)
(7)	384	NM	(92)	286	NM
334	(456)	NM	(242)	(784)	(69%)
73	1,317	(94%)	45	1,426	(97%)

Other expenses

- Impairment loss on club membership
- Impairment loss on intellectual property
- Impairment loss on property, plant and equipment
- Impairment loss on investment securities
- Gain on disposal of property, plant and equipment
- Property, plant and equipment written off
- (Loss)/gain on disposal of club membership
- Gain on disposal of subsidiaries
- Impairment loss on long term prepayment
- Allowance on amounts due from associates
- Foreign currency exchange (loss)/gain

-	(53)	NM	(8)	(53)	(85%)
-	(492)	NM	-	(492)	NM
(3,635)	(1,509)	141%	(3,635)	(1,509)	141%
-	(1,684)	NM	-	(1,684)	NM
17	822	(98%)	197	1,244	(84%)
(43)	76	NM	(43)	(8)	438%
-	(1)	NM	73	(1)	NM
-	-	NM	2,945	-	NM
(1,155)	(467)	147%	(1,155)	(467)	147%
(4,824)	-	NM	(4,824)	-	NM
(741)	1,975	NM	(2,913)	692	NM

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

Net loss for the period/year

Other comprehensive income:-

Items that may be reclassified subsequently to profit or loss:

Foreign currency translation adjustment
Realisation of fair value changes on available-for-sale assets
Fair value changes on available-for-sale assets
Other comprehensive income, net of tax

Other comprehensive income, net of tax

Total comprehensive income for the period/year

Total comprehensive income attributable to :-

Owners of the Company
Non-controlling interests
Total comprehensive income for the period/year

Group			Group		
Fourth Quarter Ended			Full Year Ended		
S\$'000		%	S\$'000		%
31/12/17	31/12/16	Change	31/12/17	31/12/16	Change
(12,120)	(719)	NM	(14,603)	(7,363)	98%
53	223	(76%)	169	(632)	NM
-	-	NM	-	(30)	NM
-	59	NM	5	(14)	NM
53	282	(81%)	174	(676)	NM
(12,067)	(437)	NM	(14,429)	(8,039)	79%
(6,273)	2,077	NM	(4,061)	261	NM
(5,794)	(2,514)	130%	(10,368)	(8,300)	25%
(12,067)	(437)	NM	(14,429)	(8,039)	79%

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	
	S\$'000		S\$'000	
	31/12/17	31/12/16	31/12/17	31/12/16
Non-current Assets				
Intangible assets	4,170	2,407	-	-
Property, plant and equipment	20,582	20,845	79	19
Investment properties	338	350	-	-
Investments in subsidiaries	-	-	17,532	20,433
Investments in associates	4,807	-	5,801	-
Investment securities	24	22	-	-
Deferred tax assets	103	181	-	-
Prepayments and other receivables	-	1,382	-	-
Amounts due from subsidiaries	-	-	-	2,843
	30,024	25,187	23,412	23,295
Current Assets				
Inventories	24,068	24,974	-	-
Prepayments and other receivables	3,951	5,293	92	138
Amounts due from subsidiaries	-	-	8,184	8,372
Amounts due from associates	14	-	-	-
Trade receivables	31,203	34,542	-	-
Cash and cash equivalents	29,616	39,174	1,485	1,402
	88,852	103,983	9,761	9,912
Total Assets	118,876	129,170	33,173	33,207
Equity Attributable to Owners of the Company				
Share capital	132,617	132,617	132,617	132,617
Treasury shares	(4,772)	(4,772)	(4,772)	(4,772)
Foreign currency translation reserve	(1,598)	(1,894)	-	-
Capital reserves	(8,091)	(7,936)	(2,960)	(2,960)
Fair value reserve	2	-	-	-
Accumulated losses	(59,589)	(55,192)	(143,914)	(134,911)
	58,569	62,823	(19,029)	(10,026)
Non-controlling interests	(7,953)	(555)	-	-
Total Equity	50,616	62,268	(19,029)	(10,026)
Non-current Liabilities				
Deferred tax liabilities	165	143	-	-
Lease creditors	1,325	191	-	-
Long term payables	1,028	1,112	-	-
Loans and borrowings	2,061	3,426	-	-
Amounts due to subsidiaries	-	-	44,718	34,901
	4,579	4,872	44,718	34,901
Current Liabilities				
Provision	409	526	-	-
Income tax payable	1,020	1,102	120	-
Loans and borrowings	25,161	23,309	5,000	5,000
Payables and accruals	37,091	37,093	2,049	1,565
Amounts due to subsidiaries	-	-	315	1,767
	63,681	62,030	7,484	8,332
Total Liabilities	68,260	66,902	52,202	43,233
Total Equity and liabilities	118,876	129,170	33,173	33,207

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

Amount repayable in one year or less, or on demand

31/12/17		31/12/16	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
506	25,161	583	24,230

Amount repayable after one year

31/12/17		31/12/16	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,325	2,061	191	3,426

Details of any collateral

On 31 December 2017, finance lease with aggregate amount of \$1,831,000 (31/12/16: \$774,000) are secured on certain plant and machinery of the subsidiaries.

1(c) A cash flow statement for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group	
	31/12/17 S\$'000	31/12/16 S\$'000
Operating activities		
Loss before income tax	(13,216)	(7,326)
Adjustment for:-		
Non-cash items	16,302	12,334
Operating cash flows before reinvestment in working capital	3,086	5,008
Changes in working capital		
Receivables	(4,179)	(12,190)
Inventories	(4,412)	255
Payables	8,497	(1,490)
Provisions	(277)	(262)
Associates	(170)	-
Cash flow generated from/(used in) operations	2,545	(8,679)
Interest paid	(1,012)	(1,043)
Interest received	152	129
Income tax paid	(1,387)	(1,458)
Income tax refund	83	511
Net cash used in operating activities	381	(10,540)
Investing activities		
Proceeds from disposals of property, plant and equipment	271	3,842
Proceeds from disposal of club membership	141	1
Purchase of property, plant and equipment	(7,330)	(8,014)
Proceeds from disposal of investment security	-	80
Proceeds from disposal of leasehold land and building	-	1,934
Expenditure on research and development project	(2,117)	(2,115)
Expenditure on development project	(249)	(233)
Extension of club membership	(19)	-
Cash and cash equivalents divested on deconsolidation of subsidiaries	(6,920)	-
Net cash used in investing activities	(16,223)	(4,505)
Financing activities		
Repayment to finance lease creditors	(605)	(715)
Proceeds from bank borrowings	4,713	12,251
Repayment of bank borrowings	(3,758)	(887)
Other borrowings, net	(559)	555
Loans to associates	(665)	-
Proceeds from rights issue exercise of a subsidiary	7,517	-
Advance for capital injection from non-controlling interest	407	1,629
Net cash provided by financing activities	7,050	12,833
Net decrease in cash and cash equivalents	(8,792)	(2,212)
Cash and cash equivalents at 1 January	39,174	41,166
Effect of exchange rate changes on cash and cash equivalents	(766)	220
Cash and cash equivalents at 31 December	29,616	39,174

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 Owners of the Company								Equity Total
	Share Capital	Treasury shares	Capital reserve	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of Company, Total	Non-controlling Interests	
	(Non-distributable)					Distributable			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For The Full Year Ended 31 Dec 2017									
Balance as at 1 Jan'17	132,617	(4,772)	(7,936)	-	(1,894)	(55,192)	62,823	(555)	62,268
Total comprehensive income for the year	-	-	-	2	334	(4,397)	(4,061)	(10,368)	(14,429)
<u>Changes of ownership interests in subsidiaries</u>									
Non-controlling interests' subscription of shares in a subsidiary	-	-	-	-	-	-	-	7,517	7,517
Total changes of ownership interests in subsidiaries	-	-	-	-	-	-	-	7,517	7,517
<u>Changes of ownership interests in subsidiaries with a change in control</u>									
Disposal of subsidiaries	-	-	-	-	-	-	-	(4,547)	(4,547)
Realisation of reserves arising from disposal of subsidiaries	-	-	(155)	-	(38)	-	(193)	-	(193)
Total changes of ownership interests in subsidiaries with a change in control	-	-	(155)	-	(38)	-	(193)	(4,547)	(4,740)
Balance as at 31 Dec'17	132,617	(4,772)	(8,091)	2	(1,598)	(59,589)	58,569	(7,953)	50,616

Group

For The Full Year Ended 31 Dec 2016

Balance as at 1 Jan'16

Total comprehensive income for the year

Changes in ownership interests in subsidiaries
without a change in control

Dilution of interests in a subsidiary without a
change in control

**Total changes in ownership interests in
subsidiaries**

Balance as at 31 Dec'16

Attributable to Owners of the Company								
Share Capital	Treasury shares	Capital reserves	Fair value reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of Company, Total	Non- controlling Interests	Equity Total
(Non-distributable)					Distributable			
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
132,617	(4,772)	(8,038)	18	(1,135)	(56,230)	62,460	7,847	70,307
-	-	-	(18)	(759)	1,038	261	(8,300)	(8,039)
-	-	102	-	-	-	102	(102)	-
-	-	102	-	-	-	102	(102)	-
-	-	-	-	-	-	-	-	-
132,617	(4,772)	(7,936)	-	(1,894)	(55,192)	62,823	(555)	62,268

Company	Share Capital	Treasury shares	Capital reserve	Accumulated losses	Total
		(Non-distributable)		Distributable	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
For The Full Year Ended 31 Dec 2017					
Balance as at 1 Jan'17	132,617	(4,772)	(2,960)	(134,911)	(10,026)
Total comprehensive income for the year	-	-	-	(9,003)	(9,003)
Balance as at 31 Dec'17	132,617	(4,772)	(2,960)	(143,914)	(19,029)
For The Full Year Ended 31 Dec 2016					
Balance as at 1 Jan'16	132,617	(4,772)	(2,960)	(123,623)	1,262
Total comprehensive income for the year	-	-	-	(11,288)	(11,288)
Balance as at 31 Dec'16	132,617	(4,772)	(2,960)	(134,911)	(10,026)

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the number of issued shares excluding treasury shares and subsidiary holdings 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.

State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

No ordinary shares were issued during the period.

See below for details relating to the number of shares held as treasury shares.

There is no subsidiary holdings held against the total number of shares outstanding in a class that is listed.

- 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**

	Group & Company	
	31/12/17	31/12/16
Total number of issued shares	681,966,341	681,966,341
Less : Treasury shares	(27,234,855)	(27,234,855)
Total number of issued shares (excluding treasury shares)	654,731,486	654,731,486

- 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**

Please refer to note 1(d)(ii) above.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. Please refer to note 1(d)(ii) above.

- 2. Whether the figures have been audited, or reviewed and in accordance with which (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.

- 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 year, the accounting policies and methods of computation applied by the Group in the financial statements for the year ended 31 December 2017, are consistent with those of the audited financial statement as at 31 December 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 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

	Group		Group	
	Fourth Quarter Ended		Full Year Ended	
	31/12/17	31/12/16	31/12/17	31/12/16
Earnings/(loss) per share:-				
a) Based on weighted average number of ordinary shares in issue	(0.97) cents	0.33 cents	(0.67) cents	0.16 cents
Weighted average number of shares	654,731,486	654,731,486	654,731,486	654,731,486
b) On a fully diluted basis	(0.97) cents	0.33 cents	(0.67) cents	0.16 cents
Adjusted weighted average number of shares	654,731,486	654,731,486	654,731,486	654,731,486

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

	Group		Company	
	31/12/17	31/12/16	31/12/17	31/12/16
Net assets value per ordinary share	8.95 cts	9.60 cts	(2.91) cts	(1.53) cts
Number of ordinary shares at end of financial year	654,731,486	654,731,486	654,731,486	654,731,486

The number of ordinary shares used in the computation of net assets value per share excludes those shares held as treasury shares.

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

Analysis of Group Performance

INCOME STATEMENT

	Sales			
	<u>4Q2017</u> <u>S\$'000</u>	<u>4Q2016</u> <u>S\$'000</u>	<u>FY2017</u> <u>S\$'000</u>	<u>FY2016</u> <u>S\$'000</u>
<u>Business Segment</u>				
Backend Equipment Solutions & Technologies ("BEST")	30,011	30,458	121,230	136,938
Distribution & Services	727	534	2,675	4,945
	<u>30,738</u>	<u>30,992</u>	<u>123,905</u>	<u>141,883</u>

Analysis of Group Performance (Cont'd)

Following the completion of Advanced Systems Automation ("ASA") Group's rights issue ("ASA Rights Issue") on 14 June 2017, ASTI is no longer a controlling shareholder of ASA Group. The below analysis takes into consideration that, in 4Q2017 ASA Group's financial results were no longer consolidated. However, the financial results of ASTI Group in FY2017 consolidated the first half financial results of ASA Group.

4Q2017

Revenue

The Group reported a 0.8% or \$0.3 million decrease in revenue from \$31.0 million (4Q2016) to \$30.7 million (4Q2017).

Backend Equipment Solutions & Technologies ("BEST") business recorded a 1.5% or \$0.4 million decrease in revenue from \$30.5 million (4Q2016) to \$30.0 million (4Q2017). The decrease in revenue was mainly due to the deconsolidation of ASA Group. The revenue from Distribution & Service business increased 36.1% or \$0.2 million from \$0.5 million (4Q2016) to \$0.7 million (4Q2017) due to increase in sales from the distribution business.

Gross Profit Margin

Gross profit margin in 4Q2017 was 37.0%. This was an increase of 3.3% compared to the 35.3% reported in 4Q2016

Operating Expenses

Marketing & distribution ("M&D"), research & development ("R&D") and general administrative ("G&A") expenses of \$12.0 million incurred in 4Q2017 were \$0.3 million higher compared to the expenses reported in 4Q2016. M&D costs in 4Q2017 were \$0.8 million lower than the costs in 4Q2016. R&D costs in 4Q2017 also decreased \$0.1 million compared to 4Q2016. G&A costs increased \$1.2 million in 4Q2017 when compared to 4Q2016. The decrease in G&A costs due to the deconsolidation of ASA Group partially offset the higher professional and consultancy fees; and costs accrued relating to the Dragon Treasure Boat in 4Q2017.

Finance costs were \$0.1 million lower in 4Q2017 compared to 4Q2016, mainly due to the deconsolidation of ASA Group.

Depreciation charges of PPE decreased \$0.3 million in 4Q2017 compared to 4Q2016, mainly due to the deconsolidation of ASA Group.

Net Profit/Loss Attributable to Owners of the Company

The Group reported a net loss to shareholders of \$6.3 million in 4Q2017, compared to the net profit of \$2.2 million in 4Q2016, mainly due to the other expenses incurred in 4Q2017.

FY2017

Revenue

The Group reported a 12.7% or \$18.0 million decrease in revenue from \$141.9 million (FY2016) to \$123.9 million (FY2017).

BEST business recorded a 11.5% or \$15.7 million decrease in revenue from \$136.9 million (FY2016) to \$121.2 million (FY2017), mainly due to the deconsolidation of ASA Group. The revenue from Distribution & Service business decreased 45.9% or \$2.3 million from \$4.9 million (FY2016) to \$2.6 million (FY2017) due to decrease in sales from the distribution business.

Gross Profit Margin

Gross profit margin in FY2017 was 35.6%. This was an increase of 3.3% compared to the 32.3% reported in FY2016.

Operating Expenses

M&D, R&D and G&A expenses of \$46.7 million incurred in FY2017 were \$3.6 million lower compared to the expenses reported in FY2016. M&D costs in FY2017 were \$1.7 million lower compared to FY2016, mainly due to the deconsolidation of ASA Group. R&D costs in FY2017 also decreased \$0.8 million compared to FY2016. G&A costs decreased \$1.1 million in FY2017 when compared to FY2016. The decrease in G&A costs due to the deconsolidation of ASA Group offset the higher professional and consultancy fees; and costs accrued relating to the Dragon Treasure Boat in FY2017.

Finance costs were \$62,000 lower in FY2017 compared to FY2016, due to the deconsolidation of ASA Group.

Depreciation charges of PPE decreased \$0.5 million in FY2017 compared to FY2016, mainly due to the deconsolidation of ASA Group.

Net Profit/Loss Attributable to Owners of the Company

The Group reported a net loss to shareholders of \$4.4 million in FY2017, compared to the net profit of \$1.0 million in FY2016, mainly due to the other expenses incurred.

Analysis of Group Performance (Cont'd)

BALANCE SHEET

As at 31 December 2017, total assets stood at \$118.9 million comprising \$30.0 million from non-current assets and \$88.9 million from current assets. Total liabilities stood at \$68.3 million comprising current liabilities of \$63.7 million and non-current liabilities of \$4.6 million. Shareholders' equity including non-controlling interests stood at \$50.6 million.

The following are highlights of the Group's balance sheet as at 31 December 2017.

Intangible assets

The increase in intangible assets was mainly due to the development expenditure incurred by the battery storage solutions.

Property, plant and equipment

The decrease in property, plant and equipment ("PPE") was mainly due to the deconsolidation of ASA Group. Also, the purchases of machineries for the increase in manufacturing services activities were partially offset by the depreciation charges during the year.

Prepayments and other receivables (non-current)

The decrease in prepayments was due to impairment made on some receivables and the reclassification of some non-current receivables to current receivables.

Inventories

Inventories decreased \$0.9 million from \$25.0 million (FY2016) to \$24.1 million (FY2017), mainly due to deconsolidation of ASA Group.

Prepayments and other receivables (current)

The amount for prepayments and other receivables decreased \$1.3 million from \$5.3 million (FY2016) to \$4.0 million (FY2017) due to deconsolidation of ASA Group, utilisation of the prepayment amounts and receipts from other debtors.

Trade receivables

Trade receivables' balance decreased \$3.3 million due to lower sales in 4Q2017 compared to 4Q2016, due to deconsolidation of ASA Group.

Loans and borrowings

Loans and borrowings increased \$0.5 million from \$26.7 million (FY2016) to \$27.2 million (FY2017), due to additional drawdowns to fund working capital requirements during the year.

Payables and accruals

Payables and accruals remained comparable in FY2016 and FY2017. This was mainly due to the costs accrued relating to the Dragon Treasure Boat being offset by the decrease in amount due to the deconsolidation of ASA Group.

CASHFLOW STATEMENT

The Group generated \$2.5 million from its operational working capital. An amount of \$2.1 million was used for the net payments of interests and taxes. A net amount of \$7.0 million was used for the purchase of property, plant and equipment. The Group also utilised \$2.4 million for expenditure on research and development projects. The Group borrowed \$4.7 million but repaid \$4.9 million to financial institutions and external lenders during the year. A net proceed of \$7.5 million was received from a subsidiary's rights issue exercise. An advance of \$0.4 million was received for capital injection from non-controlling interest. Loans amounting to \$0.7 million were provided to the associates. An amount of \$6.9 million was divested upon the deconsolidation of ASA Group.

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 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

For ASTI's equipment and manufacturing services, we are seeing strong demands from our equipment business. We expect our manufacturing services to remain resilient. Barring unforeseen circumstances, we expect the performances of the two businesses to remain healthy.

On 8 February 2018, DGI's deal with Zhuhai Yinlong Energy Co., Ltd was duly approved by its shareholders at the Extraordinary General Meeting.

The proposed acquisition by DGI of the entire issued and paid-up share capital of Coeur Gold Armenia Ltd, previously announced on 19 October 2017 is still in progress.

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?

No dividend is declared for the current financial period reported on.

(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

Please refer to note 11(a).

13. 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

Business segment	Back-end Equipment Solutions and Technologies ("BEST")		Distribution and Services		Adjustments & elimination		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue	121,230	136,938	2,675	4,945	-	-	123,905	141,883
Segment results	(3,233)	1,961	(11,296)	(9,324)	(74)	-	(14,603)	(7,363)
EBITDA [#]	4,027	8,758	(10,911)	(9,145)	(74)	-	(6,958)	(387)
Interest income	162	40	42	134	(52)	(45)	152	129
Interest expense	(1,111)	(1,173)	(38)	-	52	45	(1,097)	(1,128)
Depreciation	(5,000)	(5,584)	(313)	(243)	-	-	(5,313)	(5,827)
Amortisation	-	(109)	-	(4)	-	-	-	(113)
(Loss)/Profit before income tax	(1,922)	1,932	(11,220)	(9,258)	(74)	-	(13,216)	(7,326)
Income tax	(1,311)	29	(76)	(66)	-	-	(1,387)	(37)
Net (loss)/profit for the year	(3,233)	1,961	(11,296)	(9,324)	(74)	-	(14,603)	(7,363)
Other segment information:								
Share of results of associates, net of tax	(1,042)	-	(7)	(7)	-	-	(1,049)	(7)
Other non-cash expense/(income)	1,335	151	(413)	2,745	-	-	922	2,896

EBITDA: Earnings before interest expense, interest income, tax, depreciation and amortisation.

Other non-cash expenses comprise inventories written off, inventories written down, allowance of trade receivables, trade receivables written off, allowance of non-trade receivables and unrealised foreign currency exchange.

The Group has positioned its operations into two strategic business segments comprising of Back-end Equipment Solutions and Technologies ("BEST") and Distribution Services. BEST is mainly engaged in provision of solutions and technologies in the back-end (ie assembly, test and finishing) arena of the semiconductor industry. The Distribution Services engaged mainly in the provision of semiconductor application in consumer electronics, computer peripheral and communication solution.

14. 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.

15. A breakdown of sales

	Group		
	S\$'000		%
	31/12/17	31/12/16	Change
Sales reported for first half year	57,569	75,070	(23%)
Loss after tax before deducting minority interests reported for first half year	(7,289)	(4,320)	69%
Sales reported for second half year	66,336	66,813	(1%)
Loss after tax before deducting minority interests reported for second half year	(7,314)	(3,043)	140%

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

	31/12/17 S\$'000	31/12/16 S\$'000
Interim Dividend declared and paid	-	-

17. 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 ant director and/or substantial	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	57	Nephew of Executive Chairman, Dato' Loh Soon Gnee	<u>Microfits Pte Ltd</u> Vice President, Operations (since Dec 2014) Duties: Oversees the business operations of Equipment Contract Manufacturing Services division of ASA Group	No change
Dato' Loh Choon Khiang	55	Nephew of Executive Chairman, Dato' Loh Soon Gnee	<u>Microfits Pte Ltd</u> Vice President, Business Development (since Dec 2014) Duties: In charge of business development of Equipment Contract Manufacturing Services division of ASA Group	No change

18. If the Group has obtained a general mandate from shareholders for interested person transactions ("IPT") as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

There is no general mandate obtained for IPT and there were no IPT for the year ended 31 December 2017.

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 7.7) 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.

BY ORDER OF THE BOARD

Dato' Michael Loh Soon Gnee
Executive Chairman and CEO
1 March 2018