



AZTECH GROUP LTD

(Incorporated in Singapore on 6 August 1986)
(Company Registration Number: 198601642R)

PROFIT WARNING ANNOUNCEMENT

In view of the uncertainty in the global economy and having conducted a preliminary review of the Group's unaudited 3Q2015 financial results, the Board of Directors of Aztech Group Ltd (the "Company") deems it appropriate to inform the shareholders of the Company and potential investors that the Group will record a loss for the third quarter ended 30 September 2015 ("3Q 2015") as compared to a profit for the corresponding period in 2014, despite the fact that Group is operationally profitable for the quarter, due to the following factors:-

- (i) Unrealized loss from currency hedging instruments due to the sudden devaluation of Chinese Yuan (Renminbi) resulting in mark-to-market loss. The hedging instruments were used primarily for purchase of raw materials and to cover factory expenses in China.
- (ii) Impairment charges on the carrying value of its assets, primarily on
 - (1) vessels due to overcapacity in the market and sharp slowdown in marine industry; and
 - (2) carrying value of its inventory in view of sharp price correction from continuous depression of purchase price index in China.

These impairments are non-cash in nature.

The profit warning is also based on the development of the market situation the Group is operating in. Further details of the Group's performance will be made available when it announces its 3Q 2015 results. The Group expects to realise cash from some excess assets that the Group plans to dispose which will further strengthen the liquidity position of the Group.

Shareholders and potential investors should exercise caution when dealing in securities of the Company.

BY ORDER OF THE BOARD

Pavani Nagarajah
Company Secretary
2 October 2015