ACESIAN PARTNERS LIMITED
(Registration No: 199505699D)

Full Year Financial Statement Announcement for the year ended 31 December 2015

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS

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

	FY2015	FY2014	Increase/ (Decrease)
	S$'000	S$'000	%
Revenue	34,414	21,546	59.72
Cost of sales	(26,674)	(17,129)	55.72
Gross profit	7,740	4,417	75.23
Other operating income	1,552	910	70.55
Administration expenses	(4,239)	(3,697)	14.66
Other operating expenses	(1,952)	(1,957)	(0.26)
Finance costs	(35)	(30)	16.67
Profit/ (loss) before taxation	3,066	(357)	N.M.
Taxation	(493)	(61)	N.M.
Profit / (loss) for the year	2,573	(418)	N.M.
Other comprehensive profit / loss			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	(1,012)	(221)	
Total comprehensive profit / (loss) for the year	1,561	(639)	
Profit / (loss) attributable to:			
Shareholders of the Company	2,563	(422)	
Non-controlling interests	10	4	
	2,573	(418)	
Total comprehensive income / (loss) attributable to:			
Shareholders of the Company	1,592	(661)	
Non-controlling interests	(31)	22	
	1,561	(639)	

The Group's profit before taxation is arrived at after (crediting)/charging :

	FY2015	FY2014
	S$'000	S$'000
Depreciation of property, plant and equipment	385	350
Loss/(Gain) on disposal of property, plant and equipment	-	49
Allowance for impairment of trade receivables	12	292
Allowance for impairment of trade receivables written back	(122)	(44)
Bad debts recovered	-	(38)
Bad debts written off	-	1
Exchange Gain	(925)	(134)
Interest income	(21)	(14)
Interest expense	35	30
Performance Shares Vested	612	-
Provision for warranty	116	109
Write back of provision for warranty	(5)	(505)
Amortisation of intangible assets	439	403
Write back provision for slow-moving inventories	(58)	(21)
Fair value adjustment on financial asset, fair value through profit or loss	(4)	(4)

1 (b) (i) 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	
	31/12/2015	31/12/2014	**31/12/2015**	31/12/2014
	S$'000	S$'000	**S$'000**	S$'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	1,239	1,173	40	77
Deferred Tax Asset	135	135	-	-
Investment in subsidiaries	-	-	7,733	7,733
Intangible assets	700	805	-	-
Goodwill	1,006	-	-	-
	3,080	2,113	7,773	7,810
Current Assets				
Inventories	2,555	1,565	590	682
Gross amount due from customers for contract work-in-progress	3,388	895	27	27
Trade and other receivables	13,017	7,008	16,887	15,176
Financial asset at fair value through profit or loss	48	44	-	-
Fixed deposits pledged	640	1,170	110	224
Cash and cash equivalents	9,391	9,385	5,772	1,006
	29,039	20,067	23,386	17,115
Total Assets	32,119	22,180	31,159	24,925
EQUITY AND LIABILITIES				
Capital and Reserve				
Share capital	17,580	17,580	17,580	17,580
Accumulated losses	(1,792)	(4,355)	(9,765)	(10,311)
Reserve	612	-	612	-
Translation difference reserve	(1,693)	(722)	-	-
Attributable to equity holders of parent	14,707	12,503	8,427	7,269
Non-controlling interests	108	139	-	-
Total equity	14,815	12,642	8,427	7,269
Non-Current Liabilities				
Deferred tax liabilities	163	22	-	-
Finance Lease Payables	150	228	-	-
Bank borrowings	55	269	-	-
	368	519	-	-
Current Liabilities				
Trade and other payables	15,863	8,055	22,732	17,656
Gross amount due to customers for contract work-in-progress	410	357	-	-
Current tax payable	333	306	-	-
Finance Lease Payables	117	99	-	-
Bank borrowings	213	202	-	-
	16,936	9,019	22,732	17,656
Total Equity and Liabilities	32,119	22,180	31,159	24,925

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

Amount repayable in one year or less

As at 31 December 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
330	-	301	-

Amount repayable after one year

As at 31 December 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
S$'000	S$'000	S$'000	S$'000
205	-	497	-

Details of collaterals

The bank borrowings are secured by a subsidiary's fixed deposits of $268,229 (2014: $609,490) and corporate guarantee by the Company. During the year, the Group bought motor vehicles on finance leases.

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

	FY2015	FY2014
	S$'000	S$'000
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit / (loss) before taxation	**3,066**	(357)
Adjustments for:		
Depreciation of property, plant and equipment	**385**	350
Loss on disposal of property, plant & equipment	**-**	49
Allowance for impairment on trade receivables	**12**	292
Allowance for impairment on trade receivables written back	**(122)**	(44)
Bad debt recovered	**-**	(38)
Bad debt written off	**-**	1
Provision for warranty	**116**	109
Performance Shares Vested	**612**	-
Provision for warranty written back	**(5)**	(505)
Interest expense	**35**	30
Interest income	**(21)**	(14)
Amortisation of intangible assets	**439**	403
Write-back provision for slow-moving inventories	**(58)**	(21)
Fair value adjustment on financial asset, fair value through profit or loss	**(4)**	(4)
Operating profit before working capital changes	**4,455**	**251**
Translation difference	**(866)**	(200)
(Increase) / Decrease in inventories	**(932)**	67
Increase in amount due from customers for contract work-in-progress	**(2,440)**	(325)
(Increase) / Decrease in trade and other receivables	**(4,613)**	689
Increase in trade and other payables	**6,725**	992
Cash generated from operations	**2,329**	**1,474**
Interest received	**21**	14
Tax paid	**(391)**	(98)
Net cash generated from operating activities	**1,959**	**1,390**

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

	FY2015	FY2014
	S$'000	S$'000
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(540)**	(982)
Net cash outflow on acquistion of a subsidiary	**(1,647)**	-
Proceeds from disposal of property, plant and equipment	**1**	50
Net cash used in investing activities	**(2,186)**	(932)
CASH FLOW FROM FINANCING ACTIVITIES		
Bank loan repaid	**(202)**	(192)
Hire Purchase Payables	**(61)**	327
Interest paid	**(35)**	(30)
Decrease in fixed deposits pledged	**531**	-
Net cash generated from financing activities	**233**	105
NET INCREASE IN CASH AND CASH EQUIVALENTS	**6**	563
EFFECTS OF CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS	**-**	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING	**9,385**	8,822
CASH AND CASH EQUIVALENTS AT THE END	**9,391**	9,385

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following statement of financial position:-

	31/12/2015	31/12//2014
Fixed deposits	**1,630**	1,912
Cash at bank and in hand	**7,761**	7,473
Cash and cash equivalents	**9,391**	**9,385**

1(d)(i) A statement (for the company 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.

	Share Capital	Translation difference reserve	Accumulated Losses	Reserve	Non-controlling Interests	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
The Group						
At 1 January 2014	17,580	(483)	(3,933)	-	67	13,231
Loss for the year	-	-	(422)		4	(418)
Other comprehensive loss						
Exchange differences on translating foreign operations	-	(239)	-	-	18	(221)
Total comprehensive loss for the year	-	(239)	(422)	-	22	(639)
Incorporation of subsidiary	-	-	-		50	50
At 31 December 2014	17,580	(722)	(4,355)	-	**139**	12,642
At 1 January 2015	**17,580**	**(722)**	**(4,355)**	**-**	**139**	**12,642**
Profit for the year	**-**	**-**	**2,563**	**-**	**10**	**2,573**
Other comprehensive profit / (loss)						
Exchange differences on translating foreign operations	**-**	**(971)**	**-**	**-**	**(41)**	**(1,012)**
Total comprehensive profit / (loss) for the year	**-**	**(971)**	**2,563**	**-**	**(31)**	**1,561**
Performance Shares Vested	**-**	**-**	**-**	**612**	**-**	**612**
At 31 December 2015	**17,580**	**(1,693)**	**(1,792)**	**612**	**108**	**14,815**
The Company						
Shareholders of the Company						
At 1 January 2014	17,580	-	(10,240)	-	-	7,340
Total comprehensive loss for the year	-	-	(71)	-	-	(71)
At 31 December 2014	17,580	-	(10,311)	-	-	7,269
At 1 January 2015	**17,580**	**-**	**(10,311)**	**-**	**-**	**7,269**
Total comprehensive profit for the year	**-**	**-**	**546**	**-**	**-**	**546**
Performance Shares Vested	**-**	**-**	**-**	**612**	**-**	**612**
At 31 December 2015	**17,580**	**-**	**(9,765)**	**612**	**-**	**8,427**

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.

During the financial year, no shares has been issued. There are no outstanding convertibles that will result in the issuance of 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.

There were no treasury shares as at 31 December 2015 and 31 December 2014. The total number of issued shares as at 31 December 2015 and 31 December 2014 was 348,783,140.

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.

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 company's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation are consistent with the latest audited financial statements for the 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 Group has applied the same accounting policies and methods of computation in the preparation of financial statements for the current reporting period compared with the latest audited financial statements for the financial year ended 31 December 2014.

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 dividends.

	FY2015 S$'000	FY2014 S$'000
Net profit / (loss) attributable to shareholders	**2,563**	(422)
Earnings per share for the year based on the weighted average number of shares in issue of 348,783,140 for FY2015 (FY2014:348,783,140)		
	Cents	Cents
Basic earnings / (loss) per share	**0.73**	(0.12)
Diluted earnings / (loss) per share	**0.73**	(0.12)

There is no dilutive effect for the year ended 31 December 2015.

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

	Group		Company	
	31/12/2015 Cents	31/12/2014 Cents	**31/12/2015 Cents**	31/12/2014 Cents
Net asset value per share	**4.25**	3.62	**2.42**	2.08

Net asset value per ordinary share as at 31 December 2015 and 31 December 2014 has been computed based on 348,783,140 ordinary shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period on, including (where applicable) seasonal or cyclical factors: and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Statement of comprehensive income (FY2015 vs FY2014)

Revenue

The Group registered an increase in revenue in the current financial year. Revenue increased from S$21.55 million in FY2014 to S$34.41 million in FY2015, an increase of approximately 59.72 % or S$12.86 million.

This was mainly due to the increase in revenue of approximately S$5.71 million and S$6.82 million in the manufacturing and engineering segments respectively in FY2015 as compared to FY2014 due to higher sales to new customers and certified project works.

Gross profit

Gross profit increased in FY2015 as compared to FY2014. The increase was mainly due to the current manufacturing segment achieving higher revenue as compared to FY2014 as a result of higher sales to new customers and certified project works.

Other operating income

Other operating income increased by S$0.64 million from S$0.91 million in FY2014 to S$1.55 million in FY2015. This increase was due mainly to higher exchange gain of S$0.92 million in FY2015.

Administrative expenses

Administrative expenses increased by S$0.54 million from S$3.70 million in FY2014 to S$4.24 million in FY2015 due to higher administrative staff costs.

Other operating expenses

The other operating expenses decreased by S$0.01 million from S$1.96 million in FY2014 to S$1.95 million in FY2015.

Finance costs

Finance costs increased from S$0.03 million in FY2014 to S$0.04 million in FY2015. The higher interest expense in FY2014 was due to more interest expenses from hire purchases.

Taxation

Tax expense estimated increased from S$0.06 million in FY2014 to S$0.49 million in FY2015.

Profit after taxation

Overall, the Group made a profit of S$2.57 million in FY2015 as compared to a loss of S$0.42 million in FY2014.

Statement of Financial Position (FY2015 vs. FY2014)

In FY2015, the value of the property, plant and equipment increased from S$1.17 million in FY2014 to S$1.24 million mainly due to purchases of plant and machinery.

The intangible assets increased from S$0.81 million in FY2014 to S$0.70 million in FY2015 due to addition of an intangible asset and goodwill arising from acquisition of Active Building Technologies Pte Ltd as announced during the financial year.

Inventories increased by S$0.99 million from S$1.57 million as at 31 December 2014 to S$2.56 million as at 31 December 2015 corresponding to an expansion in revenues.

Gross amount due from customers for contract work-in-progress increased by S$2.49 million due to work carried out for T4 project and gross amount due to customers for contract work-in-progress increased by S$0.05 million due mainly to faster processing of suppliers' invoices in FY2015.

Trade and other receivables increased by S$6.01 million for the year ended 31 Dec 2015 mainly due to higher sales and more project work completion in FY2015 as compared to FY2014.

There was an increase in trade and other payables from S$8.06 million as at 31 December 2014 to S$15.86 million as at 31 December 2015 mainly due to an increase in trade payables in the manufacturing and engineering segments due to new projects.

Bank borrowings and obligation under finance lease decreased by S$ 0.20 million and S$0.05 million respectively due to loan repayments made during FY2015.

Long-term bank borrowings of S$0.8 million was obtained in FY2013 in anticipation of operational needs. During FY2015, S$0.20 million was repaid and S$0.27 million was still outstanding.

Liquidity

The Group maintained a healthy liquidity position as shown by a current ratio of 1.71 as at 31 December 2015. The Group’s cash and cash equivalents, including pledged bank deposits of S$0.64 million, stood at S$10.03 million as at 31 December 2015.

Net cash generated from operating activities for FY2015 was S$1.96 million as compared to net cash generated of S$1.39 million for FY2014 as a result of higher revenue generated.

Net cash used in investing activities for FY2015 was S$2.19 million as compared to S$0.93 million generated for FY2014. This was due mainly to the acquitision of a company in FY2015.

Net cash generated from financing activities was S$0.23 million in FY2015 as compared to S$0.11 million in FY2014. The high figure in FY2015 was due to the unpledged of fixed deposits from completed projects.

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

The results are in line with the prospect statement disclosed in the previous results announcement where we stated that our restructuring efforts are on-going and showing improvement.

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.

While the Group has achieved a good turn around in its results for FY2015, we continue to be mindful about the increasing economic headwinds and competitive challenges we expect to face in the next 12 months. As such,we remain committed to a regime of strict cost management. Efforts of cost containments continue to bear results.

11. Dividend

(a) Current Financial Period Report on

Any dividend declared for the current financial period reported on?

N/A

(b) Corresponding Period of the immediately Preceding Financial Year

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

N/A

(c) Date payable

N/A

(d) Books closure date

N/A

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

No.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half year results)

13. Segmented revenue and results for business or geographical segments (of the group) in the company's most recently audited annual financial statements, which comparative information for the immediately preceding year.

	Manufacturing		Engineering Services		Distribution & Services		Total	
	FY2015 S$'000	FY2014 S$'000	FY2015 S$'000	FY2014 S$'000	FY2015 S$'000	FY2014 S$'000	FY2015 S$'000	FY2014 S$'000
REVENUE								
External sales	11,213	5,503	21,925	15,106	1,276	937	34,414	21,546
RESULTS								
Segment results	1,903	197	656	(606)	507	257	3,066	(152)
Unallocated finance costs							-	-
Taxation							(493)	(61)
Other non-cash item							-	(71)
Non-controlling interest							(10)	(138)
Net loss attributable to shareholders							2,563	(422)
ASSETS								
Segment assets	14,283	7,591	16,715	13,070	1,121	1,519	32,119	22,180
Unallocated corporate assets							-	-
Total assets							32,119	22,180
LIABILITIES								
Segment liabilities	6,938	3,668	9,990	5,298	376	572	17,304	9,538
Unallocated corporate liabilities							-	-
Total liabilities							17,304	9,538

	Manufacturing		Engineering Services		Distribution & Services		Total	
OTHER INFORMATION	FY2015 S$'000	FY2014 S$'000	FY2015 S$'000	FY2014 S$'000	FY2015 S$'000	FY2014 S$'000	FY2015 S$'000	FY2014 S$'000
Capital expenditure	427	797	46	185	67	-	540	982
Depreciation	315	277	54	73	16	-	385	350
Allowance for impairment of trade receivables	8	-	4	283	-	9	12	292
Bad debt written off/ (recovered)	(64)	(38)	(58)	(44)	-	-	(122)	(82)
Loss/(gain) on disposal of plant and equipment	-	49	-	-	-	-	-	49

Geographical reporting

Revenue	S'pore & M'sia	China	Total
FY2015 ('000)	**34,414**	**-**	**34,414**
FY2014 ('000)	**21,546**	**-**	**21,546**

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 section 10

15. Breakdown of sales

	FY2015	FY2014	Increase/ (decrease)
Revenue reported for 1st half year	14,364	7,783	84.56%
Operating profit / (loss) after tax before deducting minority interests reported for the 1st half year	784	(655)	N.M
Revenue reported for 2nd half year	20,050	13,763	45.68%
Operating profit after tax before deducting minority interests reported for the 2nd half year	1,789	237	654.85%

16. Interested Party Transactions

Name of interested person	Aggregate value of all interested transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)	
	FY 2015	FY 2014	**FY 2015**	FY 2014
	$'000	$'000	**$'000**	$'000
Chern Dar Enterprise Co. Ltd				
Purchases	**250**	283	1,575	-

*Mr. Ho Ta-huang, a director and substantial shareholder of the Company, is deemed to be interested in the shares held by Chern Dar Enterprise Co. Ltd.

*Chern Dar Enterprise Co. Ltd's shares are held in the name of a nominee.

The Company wishes to advise that there is a general mandate obtained from shareholders for Interested Person Transactions on 28 October 2015.

17. Disclosure under Rule 704(10) of section B: Rules of Catalist of the SGX-ST Listing Manual

The Company wishes to confirm that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or the Chief Executive Officer or substantial shareholders of the Company.

By Order of the Board

Wong Kok Chye

Group Chief Executive Officer

23 February, 2016

By Order of the Board

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

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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