

SGXNET Announcement



**AEM Holdings Ltd
(Registration No. 20006417D)
Quarterly Financial Statements and Dividend Announcement
For Period Ended 31 December 2016**

1. **Financial Statements**
 - 1(a)(i) **Consolidated Income Statement**
 - 1(a)(ii) **Consolidated Comprehensive Income Statement**
 - 1(a)(iii) **Explanatory Notes to Consolidated Income Statement**
 - 1(b)(i) **Statement of Financial Position**
 - 1(b)(ii) **Group Borrowings and Debt Securities**
 - 1(c) **Consolidated Cash Flow Statement**
 - 1(d)(i) **Statements of Changes in Equity**
 - 1(d)(ii) **Changes in Share Capital**
 - 1(d)(iii) **Share Options**
 - 1(d)(iv) **Treasury Shares**
2. **Statement on Audit**
3. **Auditors' Report**
4. **Accounting Policies**
5. **Changes in Accounting Policies**
6. **Earnings Per Share**
7. **Net Asset Value Per Share**
8. **Group Performance Review**
9. **Prospect vs Actual Results**
10. **Business Outlook**
11. **Dividends**
12. **Statement on Dividends**
13. **Interested Person Transactions**
14. **Confirmation by the Directors and Officers Pursuant to Rule 720(1) of the Listing Manual**
15. **Business Segment Information**
16. **Review of Segmental Sales and Earnings**
17. **Breakdown of Half Yearly Sales and Profit**
18. **Person Occupying a Managerial Position**

1. Financial Statements

1(a)(i). Consolidated Income Statement

| | Note | Quarterly Results | | | YTD Results | | |
|---|--------|-------------------|-------------------|---------------|-------------------|-------------------|---------------|
| | | 4Q2016 S\$'000 | 4Q2015 S\$'000 | Change* % | FY2016 S\$'000 | FY2015 S\$'000 | Change* % |
| Revenue | | 19,552 | 14,392 | 35.9% | 70,123 | 46,797 | 49.8% |
| Other income | A.1 | 324 | 2,900 | -88.8% | 269 | 3,877 | -93.1% |
| | | 19,876 | 17,292 | 14.9% | 70,392 | 50,674 | 38.9% |
| Changes in inventories of finished goods and work-in-progress | A.2 | 4,093 | (3,304) | 223.9% | 7,644 | (1,220) | 726.6% |
| Raw materials and other consumables | A.2 | (16,552) | (6,794) | -143.6% | (51,533) | (25,449) | -102.5% |
| Staff costs | | (4,016) | (2,840) | -41.4% | (13,562) | (11,815) | -14.8% |
| Depreciation of property, plant and equipment | | (162) | (226) | 28.3% | (665) | (825) | 19.4% |
| Amortisation of intangible assets | | (24) | (59) | 59.3% | (153) | (257) | 40.5% |
| Other expenses | A.3 | (1,724) | (1,098) | -57.0% | (5,562) | (6,212) | 10.5% |
| Finance expenses | | (5) | (9) | 44.4% | (21) | (27) | 22.2% |
| Share of loss of an associate | A.1(f) | (220) | - | NM | (449) | - | NM |
| Profit before taxation | | 1,266 | 2,962 | -57.3% | 6,091 | 4,868 | 25.1% |
| Income tax (expenses)/ credit | A.1(g) | (430) | 1,811 | -123.8% | (1,325) | 1,808 | -173.3% |
| Profit after tax from continuing operations | | 836 | 4,773 | -82.5% | 4,766 | 6,676 | -28.6% |
| Loss from discontinued operation | | - | (211) | 100.0% | (109) | (894) | 87.8% |
| Profit for the period | | 836 | 4,562 | -81.7% | 4,657 | 5,782 | -19.5% |
| Other comprehensive income | | | | | | | |
| Translation gain/ (loss) relating to financial statements of foreign subsidiaries, net of tax | | 1,580 | 507 | 211.6% | 893 | 493 | 81.1% |
| Effect of liquidation and disposal of dormant subsidiaries | | 867 | - | NM | 852 | 98 | 769.4% |
| Other comprehensive gain for the period, net of tax | | 2,447 | 507 | 382.6% | 1,745 | 591 | 195.3% |
| Total comprehensive income for the period | | 3,284 | 5,069 | -35.2% | 6,402 | 6,373 | 0.5% |

* Increase/(Decrease) Earnings
NM: Not Meaningful

1(a)(ii). Consolidated Comprehensive Income Statement

Total comprehensive income attributable to:

| | | | | | | | |
|--|--|--------------|--------------|---------------|--------------|--------------|-------------|
| Owners of the Company | | 3,284 | 5,069 | -35.2% | 6,402 | 6,373 | 0.5% |
| Total comprehensive income for the period | | 3,284 | 5,069 | -35.2% | 6,402 | 6,373 | 0.5% |

* Increase/(Decrease) Earnings

1(a)(iii). Explanatory Notes to Consolidated Income Statement

A.1 Profit for continuing operation is arrived at after crediting/(charging) the following items:

| | Note | Quarterly Results | | | YTD Results | | |
|---|--------------|-------------------|-------------------|--------------|-------------------|-------------------|--------------|
| | | 4Q2016 S\$'000 | 4Q2015 S\$'000 | Change* % | FY2016 S\$'000 | FY2015 S\$'000 | Change* % |
| Government grant income | | 23 | 19 | 21.1% | 111 | 56 | 98.2% |
| Interest income | | 1 | 8 | -87.5% | 16 | 58 | -72.4% |
| Rental income | A.1(a) | - | 34 | -100.0% | 17 | 295 | -94.2% |
| Exchange gain/ (loss), net | A.1(b) | 219 | 205 | 6.8% | (347) | 741 | -146.8% |
| Allowance for doubtful debts reversed/ (provided) | | - | 12 | -100.0% | - | (67) | 100.0% |
| Allowance for inventory obsolescence reversed / (provided) | A.1(c) , A.2 | 202 | (1,084) | 118.6% | 696 | (1,077) | 164.6% |
| Loss on disposal of subsidiaries | A.1(d) | (463) | - | NM | (463) | - | NM |
| (Loss)/ gain on liquidation of a dormant subsidiary | | - | (512) | 100.0% | 15 | (512) | 102.9% |
| Reversal/ (allowance) for impairment on property, plant and equipment | A.1(e) | 213 | (213) | 200.0% | 213 | (213) | 200.0% |
| Reversal of impairment loss on asset held for sale | | - | 597 | -100.0% | - | 597 | -100.0% |
| Reversal of provision on sales rebates | | - | 2,034 | -100.0% | - | 2,034 | -100.0% |
| Gain/ (loss) on disposal of property, plant and equipment | | 20 | 20 | 0.0% | (7) | 20 | -135.0% |
| Fixed asset written off | | (1) | (8) | 87.5% | (1) | (8) | 87.5% |

* Increase/(Decrease) Earnings
NM: Not Meaningful

- A.1(a)** In 2Q2015, the lease for AEM building in Singapore expired. The Group took the opportunity to revise its rental arrangement and reduce its rented space and hence there was no rental income for 4Q2016 as compared to S\$33,000 in 4Q2015.
- A.1(b)** The foreign exchange gain in 4Q2016 arose mainly due to appreciation of the United States dollar against the Singapore dollar and Malaysian Ringgit, resulting from the translation of our working capital.
- A.1(c)** In 4Q2016 and FY2016, there were reversals of allowance for inventory obsolescence due to utilisation of obsolete inventories.
- A.1(d)** In FY2016, the Group disposed two of its wholly owned subsidiaries, resulting in a disposal loss of S\$463,000, mainly arising from the realisation of foreign currency translation losses.
- A.1(e)** An impairment for property, plant and equipment was recognised in 4Q2015 for the subsidiary that owned the plating operation that was disposed in February 2016. The impairment is reversed after the loss on disposal has been recognised.
- A.1(f)** The share of loss of an associate of S\$449,000 in FY2016 was mainly due to the financing and professional expenses incurred by Novoflex Pte Ltd in the acquisition of Smartflex Technology Pte Ltd ("SFT") and Smartflex Innovation Pte Ltd ("SFI") during the year and the higher depreciation and amortisation costs arising from the higher fair value of Novoflex's assets at the acquisition date.
- A.1(g)** The Group provided for tax expenses as a result of the profits in 4Q2016 and FY2016. In 4Q2015 and FY2015, there was a net tax credit of S\$1.8 million mainly due to a reversal of provision for tax payable of S\$2.6 million and the utilisation of deferred tax assets of S\$1.0 million.

1(a)(iii). Explanatory Notes to Consolidated Income Statement (Cont'd)

A.2 Raw Material and Other Consumables

| | Quarterly Results | | | YTD Results | | |
|---|-------------------|-------------------|--------------|-------------------|-------------------|--------------|
| | 4Q2016 S\$'000 | 4Q2015 S\$'000 | Change* % | FY2016 S\$'000 | FY2015 S\$'000 | Change* % |
| Changes in inventories of finished goods and work-in-progress excluding allowance to inventory obsolescence | 3,891 | (2,220) | 275.3% | 6,948 | (143) | NM |
| Raw materials and consumables cost | (16,552) | (6,794) | -143.6% | (51,533) | (25,449) | -102.5% |
| Material cost before obsolescence | (12,661) | (9,014) | -40.5% | (44,585) | (25,592) | -74.2% |
| Allowance for inventory obsolescence reversed /(provided) | 202 | (1,084) | 118.6% | 696 | (1,077) | 164.6% |
| Total | (12,459) | (10,098) | -23.4% | (43,889) | (26,669) | -64.6% |

* Increase/(Decrease) Earnings
NM: Not Meaningful

Raw materials and consumables cost, taking into consideration changes in inventories excluding reversal of allowance for inventory obsolescence, increased from S\$9.0 million in 4Q2015 to S\$12.7 million in 4Q2016, representing an increase of 40.5% and increased from S\$25.6 million in FY2015 to S\$44.6 million in FY2016, representing an increase of 74.2%. The increase in raw materials and other consumables cost in 4Q2016 and FY2016 was mainly due to a shift in revenue mix towards sales of new equipment, which requires higher material costs compared to material costs used in kits sales.

A.3 Other expenses

| | Note | Quarterly Results | | | YTD Results | | |
|---|--------|-------------------|-------------------|--------------|-------------------|-------------------|--------------|
| | | 4Q2016 S\$'000 | 4Q2015 S\$'000 | Change* % | FY2016 S\$'000 | FY2015 S\$'000 | Change* % |
| Factory overheads expenses | A.3(a) | 612 | 543 | -12.7% | 2,554 | 2,950 | 13.4% |
| Sales, marketing & general expenses | A.3(b) | 583 | (178) | -427.6% | 2,082 | 2,318 | 10.2% |
| Loss on disposal/liquidation of subsidiaries | A.1(d) | 463 | 512 | 9.6% | 448 | 512 | 12.5% |
| Allowance for impairment on other property, plant and equipment | A.1(e) | (213) | 213 | 200.0% | (213) | 213 | 200.0% |
| Bad debts written off for disposed subsidiary | | - | - | NM | - | 76 | 100.0% |
| Staff redundancy expense for closure of plating operation | A.3(c) | 147 | - | NM | 147 | - | NM |
| Property tax expenses | A.3(d) | 82 | - | NM | 82 | - | NM |
| Foreign exchange loss | | - | - | NM | 347 | - | NM |
| Other operating expenses | | 50 | 8 | NM | 115 | 142 | 19.3% |
| Total | | 1,724 | 1,098 | -57.0% | 5,562 | 6,212 | 10.5% |

* Increase/(Decrease) Earnings
NM: Not Meaningful

A.3(a) The reduction in factory overheads expenses in FY2016 compared to FY2015 was mainly due to the lower rental expenses explained in A.1(a) above.

A.3(b) In 4Q2015, there was a reclassification of S\$742,000 from other expenses to stock obsolescence due to expenses relating to stock obsolescence were classified as other expenses in prior quarters. Excluding the reclassification, the sales, marketing and general expenses would have been S\$564,000 in 4Q2015 as compared to S\$583,000 in 4Q2016. Comparing year-on-year, sales, marketing and general expenses decreased 10.2% from S\$2.3 million to S\$2.1 million mainly due to lower travelling and legal expenses.

A.3(c) In 4Q2016 and FY2016 the Group incurred staff redundancy expense due to the disposal of plating operation.

A.3(d) The property tax expense was incurred for the sale of Malacca property.

1(b)(i). Statement of Financial Position

| | Note | Group | | Company | |
|---|----------|----------------------|----------------------|----------------------|----------------------|
| | | 31-Dec-16 S\$'000 | 31-Dec-15 S\$'000 | 31-Dec-16 S\$'000 | 31-Dec-15 S\$'000 |
| Non-current assets | | | | | |
| Property, plant and equipment | B.1 | 2,227 | 3,236 | 40 | 51 |
| Intangible assets | | 65 | 217 | 1 | 37 |
| Subsidiaries | | - | - | 10,194 | 10,194 |
| Associate | B.2 | 4,217 | - | 4,667 | - |
| Deferred tax asset | B.3 | 76 | 1,115 | 4 | 328 |
| | | 6,585 | 4,568 | 14,906 | 10,610 |
| Current assets | | | | | |
| Assets held for sale | B.1 | - | 2,551 | - | - |
| Inventories | B.4 | 17,443 | 8,896 | - | - |
| Trade and other receivables | B.5 | 17,777 | 10,375 | 3,758 | 3,809 |
| Cash and cash equivalents | B.6 | 6,310 | 10,363 | 914 | 3,680 |
| | | 41,530 | 32,185 | 4,672 | 7,489 |
| Total assets | | 48,115 | 36,753 | 19,578 | 18,099 |
| Equity Attributable to Owners of the Company | | | | | |
| Share capital | 1(d)(i) | 39,737 | 39,737 | 39,737 | 39,737 |
| Other reserves | 1(d)(i) | (11,629) | (13,075) | (505) | (259) |
| Accumulated gains/ (losses) | 1(d)(i) | 1,839 | (2,160) | (20,831) | (22,711) |
| Total equity | | 29,947 | 24,502 | 18,401 | 16,767 |
| Non-current liabilities | | | | | |
| Financial liabilities | 1(b)(ii) | 7 | 86 | - | - |
| Provision | | 264 | 261 | - | 16 |
| Deferred tax liabilities | | 42 | 43 | - | - |
| | | 313 | 390 | - | 16 |
| Current liabilities | | | | | |
| Trade and other payables | B.7 | 16,729 | 11,122 | 1,166 | 1,235 |
| Financial liabilities | 1(b)(ii) | 78 | 76 | - | - |
| Current tax payable | | 805 | 453 | 11 | 81 |
| Provisions | | 243 | 210 | - | - |
| | | 17,855 | 11,861 | 1,177 | 1,316 |
| Total liabilities | | 18,168 | 12,251 | 1,177 | 1,332 |
| Total equity and liabilities | | 48,115 | 36,753 | 19,578 | 18,099 |

B.1 In 1Q2016, the Group entered into an agreement to dispose of its plating operations. The disposal of the plating operations and the company that owns the plating assets has been substantially completed in December 2016. Properties in Malacca that were classified as assets held for sale in FY2015 were disposed of in 2Q2016.

B.2 In FY2016, the Group acquired a 21.2% associate in Novoflex Pte Ltd. In 3Q2016, the Group commenced equity accounting for the share of associate's loss.

B.3 The decrease was mainly due to the utilisation of deferred tax as a result of profits in FY2016.

B.4 The increase in inventories was mainly due to inventory builds for fulfilment of sales orders over the next few quarters.

B.5 Trade and other receivables increased mainly due to the increased sales in FY2016.

B.6 Cash and cash equivalents reduced mainly due to payments made for trade and material purchases as a result of the increase in sales orders to be fulfilled over the next few quarters, as well as for the acquisition of an associate.

B.7 The increase in trade and other payables was mainly due to increased material purchases as a result of the increase in sales orders to be fulfilled.

1(b)(ii). Group Borrowings and Debt Securities

| | 31-Dec-16 S\$'000 | 31-Dec-15 S\$'000 |
|---|----------------------|----------------------|
| Amount repayable in one year or less, or on demand | | |
| - Secured finance lease liabilities | 78 | 86 |
| Amount repayable after one year | | |
| - Secured finance lease liabilities | 7 | 26 |
| Total | 85 | 162 |

The finance lease liabilities are secured by corporate guarantee from AEM Holdings Ltd and fixed charge on the equipment being financed.

1(c). Consolidated Cash Flow Statement

| | Note | 4Q2016 S\$'000 | 4Q2015 S\$'000 | FY2016 S\$'000 | FY2015 S\$'000 |
|---|------|-------------------|-------------------|-------------------|-------------------|
| Operating activities | | | | | |
| Profit from continuing operations | | 836 | 4,773 | 4,766 | 6,676 |
| Loss from discontinued operations | | - | (211) | (109) | (894) |
| Profit for the period | | 836 | 4,562 | 4,657 | 5,782 |
| Adjustments for: | | | | | |
| Depreciation and amortisation | | 186 | 285 | 855 | 1,082 |
| Provision (reversed)/ made for impairment loss on property, plant and equipment | | (213) | 213 | (213) | 213 |
| (Gain)/ loss on disposal of property, plant and equipment | | (19) | (20) | 7 | (20) |
| Fixed asset written off | | 1 | 8 | 1 | 8 |
| Reversal of impairment of assets held for sale | | - | (597) | - | (597) |
| Loss/ (gain) on liquidation of a subsidiary | | - | 512 | (15) | 512 |
| Loss on disposal of subsidiaries | | 463 | - | 463 | - |
| Allowance (reversed)/ made for inventories obsolescence | | (202) | 1,084 | (801) | 1,077 |
| Allowance (reversed)/ made for doubtful debts and bad debts written off | | - | (12) | - | 67 |
| Interest income | | (1) | (8) | (16) | (58) |
| Interest expense | | 5 | 9 | 21 | 27 |
| Provision made/ (reversed) for warranties | | 72 | (339) | 29 | (4) |
| Reversal of provision for sales rebates | | - | (2,034) | - | (2,034) |
| Issue of share options | | - | - | 29 | - |
| Equity settled share based payment transaction | | 500 | - | 500 | 283 |
| Tax expense | | 430 | (1,811) | 1,325 | (1,808) |
| Share of loss from equity accounted investee, net of tax | | 220 | - | 449 | - |
| Operating profit before working capital changes | | 2,279 | 1,852 | 7,291 | 4,530 |
| Changes in working capital: | | | | | |
| Inventories | | (4,238) | 1,650 | (7,271) | (337) |
| Trade and other receivables | | (448) | (2,610) | (7,072) | (5,089) |
| Trade and other payables | | 1,324 | (497) | 5,290 | (1,366) |
| Cash (used in)/ from operations | | (1,082) | 395 | (1,762) | (2,262) |
| Government grant received | | 23 | 19 | 111 | 56 |
| Income tax (paid)/ recovered | | (141) | 754 | - | 666 |
| Cash flows (used in)/ from operating activities | | (1,200) | 1,168 | (1,651) | (1,540) |

1(c). Consolidated Cash Flow Statement (Cont'd)

| | Note | 4Q2016 S\$'000 | 4Q2015 S\$'000 | FY2016 S\$'000 | FY2015 S\$'000 |
|--|------|-------------------|-------------------|-------------------|-------------------|
| Investing activities | | | | | |
| Interest income | | 1 | 8 | 16 | 58 |
| Purchase of property, plant and equipment | | (310) | (384) | (605) | (603) |
| Proceeds from sale of property, plant and equipment | | 25 | 77 | 25 | 77 |
| Net cash inflow from disposal of subsidiary | | - | - | 2,740 | - |
| Net cash inflow from disposal of discontinued operation | | - | - | 1,351 | - |
| Acquisition of intangible assets | | (3) | (17) | (4) | (79) |
| Acquisition of equity-accounted investee | | (897) | - | (4,667) | - |
| Loan repaid by former subsidiary | | - | 1,417 | - | 1,417 |
| Net cash (used in)/ from investing activities | | (1,185) | 1,101 | (1,144) | 870 |
| Financing activities | | | | | |
| Interest paid | | 9 | (9) | (7) | (27) |
| Repayment of financial liabilities | | (33) | (23) | (90) | (84) |
| Repayment of bank loan | | - | (206) | - | (211) |
| Purchase of treasury shares | | (290) | (70) | (775) | (81) |
| Dividend paid | | - | - | (658) | - |
| Net cash used in financing activities | | (314) | (308) | (1,530) | (403) |
| Net (decreased)/ increase in cash and cash equivalents | | (2,700) | 1,961 | (4,326) | (1,073) |
| Cash and cash equivalents at beginning of period | | 8,405 | 8,445 | 10,363 | 11,152 |
| Effect of exchange rate changes on balances held in foreign currencies | | 605 | (43) | 272 | 284 |
| Cash and cash equivalents at end of period | | 6,310 | 10,363 | 6,310 | 10,363 |

Explanatory Notes on Cash Flow Statement

The Group generated cash and operating profit before working capital changes of S\$2.3 million and S\$7.4 million in 4Q2016 and FY2016 respectively. The cash used in operations was only S\$1.1 million and S\$1.8 million in 4Q2016 and FY2016 respectively due to higher working capital changes to finance the increase in inventories and receivables net payables due to the higher sales and demand for equipment and kits to be delivered in the next few quarters.

1(d)(i). Statements of Changes in Equity

| | Share capital S\$'000 | Treasury share reserve S\$'000 | Capital reserve S\$'000 | Share compensation reserve S\$'000 | Currency translation reserve S\$'000 | Retained earnings S\$'000 | Total Equity S\$'000 |
|--|--------------------------|--------------------------------------|----------------------------|---|---|---------------------------------|-------------------------|
| Group | | | | | | | |
| As at 1 Jan 2015 | 39,737 | (691) | 214 | 230 | (13,621) | (7,942) | 17,927 |
| Changes in equity for the period | | | | | | | |
| Total comprehensive income | - | - | - | - | 222 * | 229 | 451 |
| As at 31 Mar 2015 | 39,737 | (691) | 214 | 230 | (13,399) | (7,713) | 18,378 |
| Equity settled share based payment transaction | - | 283 | - | - | - | - | 283 |
| Total comprehensive (loss)/ income | - | - | - | - | (329)* | 468 | 139 |
| As at 30 Jun 2015 | 39,737 | (408) | 214 | 230 | (13,728) | (7,245) | 18,800 |
| Own shares acquired | - | (11) | - | - | - | - | (11) |
| Disposal of dormant subsidiaries | - | - | - | - | 98 | - | 98 |
| Total comprehensive income | - | - | - | - | 93 * | 523 | 616 |
| As at 30 Sep 2015 | 39,737 | (419) | 214 | 230 | (13,537) | (6,722) | 19,503 |
| Own shares acquired | - | (70) | - | - | - | - | (70) |
| Total comprehensive income | - | - | - | - | 507 * | 4,562 | 5,069 |
| As at 31 Dec 2015 | 39,737 | (489) | 214 | 230 | (13,030) | (2,160) | 24,502 |

1(d)(i). Statements of Changes in Equity (Cont'd)

| | Share capital S\$'000 | Treasury share reserve S\$'000 | Capital reserve S\$'000 | Share compensation reserve S\$'000 | Currency translation reserve S\$'000 | Retained earnings S\$'000 | Total Equity S\$'000 |
|--|--------------------------|-----------------------------------|----------------------------|---------------------------------------|---|------------------------------|-------------------------|
| Group | | | | | | | |
| As at 1 Jan 2016 | 39,737 | (489) | 214 | 230 | (13,030) | (2,160) | 24,502 |
| Changes in equity for the period | | | | | | | |
| Profit for the period | - | - | - | - | - | 241 | 241 |
| Foreign currency translation differences | - | - | - | - | (424)* | - | (424) |
| Liquidation of a dormant subsidiary | - | - | - | - | (15) | - | (15) |
| Total comprehensive (loss)/ income for the period | - | - | - | - | (439) | 241 | (198) |
| Own shares acquired | - | (105) | - | - | - | - | (105) |
| Total transactions with owners for the period | - | (105) | - | - | - | - | (105) |
| As at 31 Mar 2016 | 39,737 | (594) | 214 | 230 | (13,469) | (1,919) | 24,199 |
| Profit for the period | - | - | - | - | - | 1,338 | 1,338 |
| Foreign currency translation differences | - | - | - | - | (437)* | - | (437) |
| Total comprehensive (loss)/ income for the period | - | - | - | - | (437) | 1,338 | 901 |
| Own shares acquired | - | (157) | - | - | - | - | (157) |
| Dividend declared | - | - | - | - | - | (440) | (440) |
| Total transactions with owners for the period | - | (157) | - | - | - | (440) | (597) |
| As at 30 Jun 2016 | 39,737 | (751) | 214 | 230 | (13,906) | (1,022) | 24,503 |
| Profit for the period | - | - | - | - | - | 2,242 | 2,242 |
| Foreign currency translation differences | - | - | - | - | 174 * | - | 174 |
| Total comprehensive income for the period | - | - | - | - | 174 | 2,242 | 2,416 |
| Issue of share options | - | - | - | 29 | - | - | 29 |
| Own shares acquired | - | (224) | - | - | - | - | (224) |
| Dividend declared | - | - | - | - | - | (218) | (218) |
| Total transactions with owners for the period | - | (224) | - | 29 | - | (218) | (413) |
| As at 30 Sep 2016 | 39,737 | (975) | 214 | 259 | (13,732) | 1,002 | 26,506 |
| Profit for the period | - | - | - | - | - | 836 | 836 |
| Foreign currency translation differences | - | - | - | - | 1,580 * | - | 1,580 |
| Disposal of subsidiaries | - | - | (90) | 37 | 867 | - | 815 |
| Total comprehensive income for the period | - | - | (90) | 37 | 2,447 | 836 | 3,231 |
| Equity settled share based payment transaction | - | - | - | 500 | - | - | 500 |
| Own shares acquired | - | (289) | - | - | - | - | (289) |
| As at 31 Dec 2016 | 39,737 | (1,264) | 124 | 796 | (11,285) | 1,838 | 29,947 |

* The net exchange difference arose mainly from translation of subsidiaries' net assets and liabilities whose functional currency other than SGD.

1(d)(i). Statements of Changes in Equity (Cont'd)

| | Share capital S\$'000 | Treasury share reserve S\$'000 | Share compensation reserve S\$'000 | Retained earnings S\$'000 | Total Equity S\$'000 |
|---|--------------------------|--------------------------------------|---|---------------------------------|-------------------------|
| Company | | | | | |
| As at 1 Jan 2015 | 39,737 | (691) | 230 | (24,525) | 14,751 |
| Changes in equity for the period | | | | | |
| Total comprehensive loss | - | - | - | (189) | (189) |
| As at 31 Mar 2015 | 39,737 | (691) | 230 | (24,714) | 14,562 |
| Performance Shares Plan shares issuance | - | 283 | - | - | 283 |
| Total comprehensive loss | - | - | - | (74) | (74) |
| As at 30 Jun 2015 | 39,737 | (408) | 230 | (24,788) | 14,771 |
| Own shares acquired | - | (11) | - | - | (11) |
| Total comprehensive income | - | - | - | 48 | 48 |
| As at 30 Sep 2015 | 39,737 | (419) | 230 | (24,740) | 14,808 |
| Total comprehensive income | - | (70) | - | 2,029 | 1,959 |
| As at 31 Dec 2015 | 39,737 | (489) | 230 | (22,711) | 16,767 |

| | Share capital S\$'000 | Treasury share reserve S\$'000 | Share compensation reserve S\$'000 | Retained earnings S\$'000 | Total Equity S\$'000 |
|---|--------------------------|--------------------------------------|---|---------------------------------|-------------------------|
| Company | | | | | |
| As at 1 Jan 2016 | 39,737 | (489) | 230 | (22,711) | 16,767 |
| Changes in equity for the period | | | | | |
| Own shares acquired | - | (105) | - | - | (105) |
| Total comprehensive income | - | - | - | 88 | 88 |
| As at 31 Mar 2016 | 39,737 | (594) | 230 | (22,623) | 16,750 |
| Own shares acquired | - | (157) | - | - | (157) |
| Dividend declared | - | - | - | (440) | (440) |
| Total comprehensive income | - | - | - | 2,732 | 2,732 |
| As at 30 Jun 2016 | 39,737 | (751) | 230 | (20,331) | 18,885 |
| Own shares acquired | - | (224) | - | - | (224) |
| Dividend declared | - | - | - | (218) | (218) |
| Total comprehensive income | - | - | - | 464 | 464 |
| Performance Share Plan issuance | - | - | 29 | - | 29 |
| As at 30 Sep 2016 | 39,737 | (975) | 259 | (20,085) | 18,936 |
| Own shares acquired | - | (289) | - | - | (289) |
| Total comprehensive loss | - | - | - | (627) | (627) |
| Performance Share Plan issuance | - | - | 500 | - | 500 |
| As at 31 Dec 2016 | 39,737 | (1,264) | 759 | (20,712) | 18,520 |

1(d)(ii). Changes in Share Capital

| | As at 31-Dec-16 | | As at 31-Dec-15 | |
|---|-------------------|---------------|-------------------|---------------|
| | No. of shares | S\$'000 | No. of shares | S\$'000 |
| Issued and fully paid | | | | |
| At 1 January | 45,112,629 | 39,737 | 45,112,676 | 39,737 |
| Total issued shares | 45,112,629 | 39,737 | 45,112,676 | 39,737 |
| Less treasury shares balance | (2,347,500) | (1,264) | (752,100) | (489) |
| Total issued shares less treasury shares reserve at end of period | 42,765,129 | 38,473 | 44,360,576 | 39,248 |

| | As at 31-Dec-16 | | As at 31-Dec-15 | |
|---|--------------------|----------------|------------------|--------------|
| | No. of shares | S\$'000 | No. of shares | S\$'000 |
| Treasury shares | | | | |
| At 1 January | (752,100) | (489) | (765,000) | (691) |
| Add: purchase of own shares | (1,595,400) | (775) | (299,500) | (81) |
| Issue of treasury shares to management under Performance Share Plan | - | - | 312,400 | 283 |
| Treasury shares balance at end of period | (2,347,500) | (1,264) | (752,100) | (489) |

1(d)(iii). Share Options

On 12 May 2016, the Company issued 326,954 share options under the AEM Employee Share Option Plan. As at 31 December 2016, the number of share options of the company outstanding was 301,954 (31 December 2015: nil). During the financial period there were no options being exercised.

1(d)(iv). Treasury Shares

As at 31 December 2016, the treasury shares balance was 2,347,500 (31 December 2015: 752,100). The total number of issued ordinary shares excluding treasury shares at the end of the period was 42,765,129 (31 December 2015: 44,360,576).

There was no sale, transfer or cancellation of treasury shares during the period.

2. Statement on Audit

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.

3. Auditors' Report

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

Not applicable.

4. Accounting Policies

Whether the same accounting policies and methods of computations as in the issuer's most

Other than the adoption of the new and revised Financial Reporting Standards (FRSs) as mentioned in paragraph 5 below, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2015.

5. Changes in Accounting Policies

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 and the Company have reviewed the applicable new and revised Financial Reporting Standards (FRS) and the Interpretations of FRS that become effective for accounting periods beginning 1 January 2016. The adoption of these new and revised FRS does not have a material impact to the Group financial statements.

6. Earnings Per Share

Earnings per ordinary share for the period for continuing operations based on net profit attributable to shareholders after deducting any provision for preference dividends

| | Group | | Group | |
|--|------------|-------------|-------------|-------------|
| | 4Q2016 | 4Q2015 | FY2016 | FY2015 |
| (i) EPS based on weighted average number of ordinary shares in issue | 1.95 cents | 10.72 cents | 10.93 cents | 15.00 cents |
| Weighted average number of shares in issue | 42,933,763 | 44,519,308 | 43,588,302 | 44,513,937 |
| (ii) EPS based on a fully diluted basis | 1.94 cents | 10.72 cents | 10.88 cents | 15.00 cents |
| Weighted average number of shares adjusted for the effect of dilutive potential ordinary shares arising from the exercise of share options | 43,142,476 | 44,519,308 | 43,797,015 | 44,513,937 |

7. Net Asset Value Per Share

| | Group | | Company | |
|---------------------------|------------|------------|------------|------------|
| | 31-Dec-16 | 31-Dec-15 | 31-Dec-16 | 31-Dec-15 |
| Net asset value per share | 70.0 cents | 55.2 cents | 43.0 cents | 37.8 cents |

Net asset value per share is calculated based on the existing issued share capital less treasury shares of 42,765,129 ordinary shares as at 31 December 2016 (31 December 2015: 44,360,576 shares).

8(a). Group Performance Review

Analysis of Consolidated Income Statement

| | Quarterly Results | | | YTD Results | | |
|----------------------------|-------------------|---------|--------|-------------|---------|--------|
| | 4Q2016 | 4Q2015 | Change | FY2016 | FY2015 | Change |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Equipment Systems (ESS) | 18,258 | 13,180 | 38.5% | 64,436 | 41,031 | 57.0% |
| Precision Components (PCS) | 1,294 | 1,212 | 6.8% | 5,687 | 5,766 | -1.4% |
| Overall | 19,552 | 14,392 | 35.9% | 70,123 | 46,797 | 49.8% |

The Group reported higher revenue from its Equipment Systems ("ESS") business mainly due to higher equipment and kits sales. Sales from ESS were higher by 38.5%, increasing from S\$13.2 million in 4Q2015 to S\$18.3 million in 4Q2016 and increased by 57.0% from S\$41.0 million in FY2015 to S\$64.4 million in FY2016.

Revenue from the Precision Components ("PCS") business were higher by 6.8%, increasing from S\$1.2 million in 4Q2015 to S\$1.3 million in 4Q2016 due to increase in demand and lower by 1.4% from S\$5.8 million in FY2015 to S\$5.7 million in FY2016 due to reduced orders from customers in 1H2016.

As a result of the above, the Group recorded a 35.9% increase in its total revenue, which rose from S\$14.4 million in 4Q2015 to S\$19.5 million in 4Q2016 and a 49.8% increase in revenue from S\$46.8 million in FY2015 to S\$70.1 million in FY2016.

Raw materials and consumables cost, taking into consideration changes in inventories excluding reversal of allowance for inventory obsolescence, increased from S\$9.0 million in 4Q2015 to S\$12.7 million in 4Q2016, representing an increase of 40.5% and increased from S\$25.6 million in FY2015 to S\$44.6 million in FY2016, representing an increase of 74.2%. The increase in raw materials and other consumables cost in 4Q2016 and FY2016 was mainly due to a shift in revenue mix towards sales of new equipment, which requires higher material costs compared to material costs used in kits sales.

Depreciation cost decreased by 28.3% from S\$226,000 in 4Q2015 to S\$162,000 in 4Q2016 and decreased by 19.4% from S\$825,000 in FY2015 to S\$665,000 in FY2016 mainly due to the disposal of plating business during the year, resulting in lower property, plant and equipment carrying value in 4Q2016 as well as FY2016.

Amortisation of intangible assets was lower by 59.3%, decreasing from S\$59,000 in 4Q2015 to S\$24,000 in 4Q2016 and by 40.5% from S\$257,000 in FY2015 to S\$153,000 in FY2016. These were mainly due to lower intangible assets carrying value in FY2016.

Staff costs increased by 41.4% from S\$2.8 million in 4Q2015 to S\$4.0 million in 4Q2016 mainly due to bonus provision reversal of S\$393,000 in 4Q2015, higher bonus and performance share plan issuance provision in 4Q2016 of S\$383,000 and higher headcount for the increased sales orders from customers. Comparing year on year, staff cost increased by 14.8% from S\$11.8 million in FY2015 to S\$13.6 million in FY2016 mainly due higher bonus provision made as well as higher headcount for the increased sales orders from customers.

8(a). Group Performance Review (Cont'd)

Analysis of Consolidated Income Statement

(i) Proforma profit before tax if exclude impairments, other gains, expenses and share of loss of an associate

| | 4Q2016 | 4Q2015 | Change | FY2016 | FY2015 | Change |
|---|------------|----------------|---------------|-------------|--------------|--------------|
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Profit before tax as reported | 1,266 | 2,962 | -57.3% | 6,091 | 4,868 | 25.1% |
| Loss on disposal of subsidiary | 463 | - | NM | 463 | - | NM |
| (Gain)/ Loss on liquidation of subsidiaries | - | 512 | 100.0% | (15) | 512 | 102.9% |
| (Reversal)/ allowance for impairment on property, plant and equipment | (213) | 213 | 200.0% | (213) | 213 | 200.0% |
| Reclassification of prior quarters' other expenses to stock obsolescence* | - | (742) | -100.0% | - | - | NM |
| Allowance for inventory obsolescence (reversed)/provided | (202) | 1,084 | 118.6% | (696) | 1,077 | 164.6% |
| Reversal of impairment loss on asset held for sale | - | (597) | -100.0% | - | (597) | -100.0% |
| Reversal of provision on sales rebates | - | (2,034) | -100.0% | - | (2,034) | -100.0% |
| Share of loss of an associate | 220 | - | NM | 449 | - | NM |
| Net impairments, allowances, reversal loss/ (gain) and share of associate loss | 268 | (1,564) | 117.1% | (12) | (829) | 98.6% |
| Proforma profit before tax | 1,534 | 1,398 | 9.8% | 6,079 | 4,040 | 50.5% |

As a result of the above, profit before tax excluding net gain from impairment, allowance, reversal and share of associate loss of S\$1.6M in 4Q2015 and net loss of S\$268,000 in 4Q2016, the profit before tax would have increased by 9.7% from S\$1.4 million in 4Q2015 to S\$1.5 million in 4Q2016. The profit before tax excluding net gain in impairment, allowance, reversal and share of associate loss of S\$829,000 in FY2015 and net gain of S\$12,000 in FY2016, profit before tax would have increased by 50.5% from S\$4.0 million in FY2015 to S\$6.1 million in FY2016.

(ii) Proforma profit after tax if exclude impairments, other gains, expenses and share of loss of an associate

| | 4Q2016 | 4Q2015 | Change | FY2016 | FY2015 | Change |
|--|------------|----------------|----------------|-------------|----------------|---------------|
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % |
| Profit after tax as reported | 836 | 4,562 | -81.7% | 4,657 | 5,782 | -19.5% |
| Net impairments, allowances, reversal loss/ (gain) and share of associate loss | 268 | (1,564) | -117.1% | (12) | (829) | -98.5% |
| Income tax credit | - | (1,811) | -100.0% | - | (1,808) | -100.0% |
| Net impairments, allowances, reversal (gain)/ loss, income tax credit and share of associate loss | 268 | (3,375) | -107.9% | (12) | (2,637) | -99.5% |
| Proforma profit after tax | 1,104 | 1,187 | -7.0% | 4,644 | 3,144 | 47.7% |

Profit after tax excluding net gain in impairment, allowance, reversal gain, income tax credit and share of associate loss of S\$3.4 million in 4Q2015 and net loss of S\$268,000 in 4Q2016, the profit after tax would have decreased by 7.0% from S\$1.2 million in 4Q2015 to S\$1.1 million in 4Q2016 mainly due to the above reasons and there was bonus reversal of S\$393,000 in 4Q2015 whereas higher bonus and performance share plan expense provisions of S\$383,000 was provided in 4Q2016. Profit after tax excluding the net gain in impairment, allowance, reversal gain, income tax credit and share of associate loss of S\$2.6 million in FY2015 and net gain of S\$12,000 in FY2016, profit after tax would have increased by 47.7% from S\$3.1 million in FY2015 to S\$4.6 million in FY2016.

8(a). Group Performance Review (Cont'd)

Analysis of Statement of Financial Position

Cash and cash equivalents reduced mainly due to payments made for trade and material purchases as a result of the increase in sales orders to be fulfilled over the next few quarters, as well as for the acquisition of associate.

8(b). Discontinued Operations

On 2 February 2016, the Company announced that it has entered into an agreement to dispose of the plating business in its wholly owned subsidiary AEM (Suzhou) Co., Ltd. The disposal was substantially completed as at 31 December 2016. The Company chose to voluntarily disclose the disposed business as discontinued operations.

(i) The financial results of discontinued operations in FY2016 are as set out below:

| | YTD Results | |
|---|--------------|--------------|
| | FY2016 | FY2015 |
| | S\$'000 | S\$'000 |
| Revenue | 30 | 814 |
| Other income | - | - |
| | 30 | 814 |
| Changes in inventories of finished goods and work-in-progress | 5 | (24) |
| Raw materials and other consumables | (38) | (702) |
| Staff costs | (43) | (375) |
| Depreciation of property, plant and equipment | (37) | (180) |
| Other expenses | (26) | (427) |
| Loss for the year | (109) | (894) |

(ii) The major classes of assets and liabilities that were disposed as plating segment were as follows:

| | 31-Dec-16 S\$'000 |
|-------------------------------|----------------------|
| Assets | |
| Property, plant and equipment | 1,029 |
| Intangible assets | - |
| Inventories | 104 |
| Trade and other receivables | - |
| Cash and bank balances | - |
| Total assets | 1,133 |
| Liabilities | |
| Trade and other payables | - |
| Financial liabilities | - |
| Total liabilities | - |

8(b). Discontinued Operations (Cont'd)

(iii) The net cash flows related to the segment that has been disposed are as follows:

| | FY2016 | FY2015 |
|--|----------------|----------------|
| | S\$'000 | S\$'000 |
| Operating activities | (116) | (686) |
| Investing activities | (7) | (560) |
| Financing activities | - | - |
| Effect of exchange rate changes on balances held in foreign currencies | 80 | (18) |
| Net cash outflow | (43) | (1,264) |

(vi) Effect of disposal on the financial position of the Group:

| | FY2016 |
|--|----------------|
| | S\$'000 |
| Property, plant and equipment | 1,029 |
| Intangible assets | - |
| Inventories | 104 |
| Trade and other receivables | - |
| Cash and cash equivalent | - |
| Trade and other payables | - |
| Net asset and liabilities | 1,132 |
| Foreign currency translation difference | 1,001 |
| Group's share of net assets and liabilities | 2,133 |
| Loss on disposal of subsidiaries | (783) |
| Consideration received, satisfied in cash | 1,351 |
| Cash proceeds from disposal | |
| Consideration received, satisfied in cash | 1,351 |
| Cash and cash equivalents disposed of | - |
| Net cash inflow/(outflow) | 1,351 |

9. Prospect vs Actual Results

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

In our 3Q2016 results announcement, we stated "The Group expects that it will continue to be profitable in the fourth quarter of FY2016". The Group achieved profit after tax of S\$836,000 and S\$4.7 million in 4Q2016 and FY2016 respectively.

10. Business Outlook

Commentary of significant trends and competitive conditions of the industry and any known factors or events that may affect the Group

We continue to be positive on our high volume ramp of our new equipment and kits, and will be expanding our capacity in 2H2017. As at 16 February 2017, the Group has received purchase orders of S\$95.7 million for equipment and kits to be delivered in FY2017. We expect to deliver at least S\$70 million in sales and achieve at least S\$6.5 million operating profit before tax for 1H2017.

11. Dividends

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? Yes.

| | |
|------------------|------------------------------|
| Name of Dividend | Final |
| Dividend Type | Cash |
| Dividend Rate | 1.3 cents per ordinary share |
| Tax Rate | Tax Exempt One-Tier |

(b) Corresponding Period of the Immediately Preceding Financial Year

| | |
|------------------|---------------------------|
| Name of Dividend | First & Final |
| Dividend Type | Cash |
| Dividend Rate | 1 cent per ordinary share |
| Tax Rate | Tax Exempt One-Tier |

(c) Date payable

31 May 2017

(d) Books closure date

NOTICE IS HEREBY GIVEN that, the Transfer Books and Register of Members of the Company will be closed on 23 May 2017 for the preparation of the proposed dividend. Duly completed and stamped transfers together with all relevant documents of or evidencing title received by the Company's Share Registrar, Intertrust Singapore Corporate Services Pte. Ltd., at 3 Anson Road #27-01, Springleaf Tower Singapore 079909, up to 5.00 p.m. on 22 May 2017 will be registered to determine shareholders' entitlements to the proposed dividend. Subject as aforesaid, persons whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 22 May 2017 will be entitled to the proposed dividend.

(e) Breakdown of Total Annual Dividend

| | Latest Full Year (2016) | Previous Full Year (2015) |
|--------------|-------------------------|---------------------------|
| | \$'000 | \$'000 |
| Interim | 218 | 0 |
| Final | 556 | 440 |
| Total | 773 | 440 |

12. Statement on Dividends

If no dividend has been declared (recommended), a statement to that effect

Not applicable.

13. Interested Person Transactions

If no IPT mandate has been obtained, a statement to that effect

No IPT mandate has been obtained.

14. Confirmation by the Directors and Officers Pursuant to Rule 720(1) of the Listing Manual

The Group confirms that it has procured undertakings from all its Directors and Executive Officers.

15. Business Segment Information

Segment information is presented based on the information reviewed by chief operating decision makers ("CODM") for performance assessment and resource allocation. The CODM assess the Group's financial performance using performance indicators which include revenue, EBITDA and net profit of the Group.

| | Equipment Systems (ESS) S\$'000 | Precision Components (PCS) S\$'000 | Share of Associate Loss S\$'000 | Consolidated Continuing Operations S\$'000 |
|---------------------------------------|--|---|--|---|
| 2016 | | | | |
| Revenue and expenses | | | | |
| Total revenue from external customers | 64,436 | 5,687 | - | 70,123 |
| Inter-segment revenue | 1,548 | 494 | - | 2,042 |
| Reportable segment revenue | 65,984 | 6,181 | - | 72,165 |
| Depreciation and amortisation | (536) | (319) | - | (855) |
| Finance costs | (21) | - | - | (21) |
| Finance income | 16 | - | - | 16 |
| Tax expenses | (1,218) | (107) | - | (1,325) |
| Profit/ (loss) before tax | 6,855 | (315) | (449) | 6,091 |
| Profit/ (loss) for the year | 5,638 | (423) | (449) | 4,766 |
| Reportable segment assets | 43,375 | 4,740 | - | 48,115 |
| Reportable segment liabilities | 16,122 | 2,046 | - | 18,168 |
| Other Segment Information | | | | |
| Expenditures for non-current assets | (454) | (128) | - | (582) |
| Other material non-cash items: | | | | - |
| (Impairment loss) / Reversal of :- | | | | - |
| - Doubtful debts | - | - | - | - |
| - Inventory obsolescence | 470 | 226 | - | 696 |
| - Property, plant and equipment, net | 3 | 210 | - | 213 |

15. Business Segment Information (Cont'd)

| | Equipment Systems (ESS) S\$'000 | Precision Components (PCS) S\$'000 | Consolidated Continuing Operations S\$'000 |
|--|---------------------------------------|--|---|
| 2015 | | | |
| Revenue and expenses | | | |
| Total revenue from external customers | 41,031 | 5,766 | 46,797 |
| Inter-segment revenue | 1,351 | 775 | 2,126 |
| Reportable segment revenue | 42,382 | 6,541 | 48,923 |
| Depreciation and amortisation | (690) | (392) | (1,082) |
| Finance costs | (25) | (1) | (27) |
| Finance income | 51 | 7 | 58 |
| Tax credit | 1,808 | - | 1,808 |
| Profit/ (loss) before tax for the year | 5,593 | (725) | 4,868 |
| Profit/ (loss) for the year | 7,401 | (725) | 6,676 |
| Reportable segment assets | 28,814 | 5,541 | 34,355 |
| Reportable segment liabilities | 7,743 | 1,921 | 9,664 |
| Other Segment Information | | | |
| Expenditures for non-current assets | (250) | (44) | (294) |
| Other material non-cash items: | | | |
| (Impairment loss) / Reversal of :- | | | |
| - Doubtful debts | (65) | (2) | (67) |
| - Inventory obsolescence | (882) | (195) | (1,077) |
| - Property, plant and equipment, net | (3) | (210) | (213) |

16. Review of Segmental Sales and Earnings

Refer paragraph 8 for analysis of sales by business segments.

For the ESS business segment, the profit before tax of S\$6.9 million in FY2016 increased as compared to the profit before tax of S\$5.6 million in FY2015. The increase in the profit before tax was a result of the increase in demand for equipment and kits.

For the PCS business, it recorded a net loss before tax of S\$315,000 in FY2016 compared to the net loss before tax of S\$725,000 in FY2015 mainly due to reversal of inventory impairment and reversal of property, plant and equipment impairment amounting to S\$226,000 and S\$210,000 in FY2016 respectively.

17. Breakdown of Half Yearly Sales and Profit

| | Group | | |
|---|------------------|------------------|--------------|
| | FY2016 \$'000 | FY2015 \$'000 | Change* % |
| (a) Sales reported for first half year | 29,302 | 19,979 | 46.7% |
| (b) Net profit for first half year | 1,579 | 1,129 | 39.9% |
| (c) Sales reported for second half year | 40,821 | 26,817 | 52.2% |
| (d) Net profit for second half year | 3,078 | 5,547 | -44.5% |

18. Person Occupying a Managerial Position

Disclosure of person occupying a managerial position in the issuer or 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). If there are no such persons, the issuer must make an appropriate negative statement.

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 chief executive officer or substantial shareholder of the issuer.

BY ORDER OF THE BOARD

Charles Cher Lew Siang
Chief Executive Officer
23 February 2017