

AVI-TECH ELECTRONICS LIMITED
(Company Registration No. 198105976H)

Full Year Financial Statements and Dividend Announcement for the Year Ended 30 June 2015

PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF RESULTS

1(a) 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.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the fourth quarter and full year ended 30 June 2015

	4th Quarter Ended		Change %	Group Financial Year Ended		Change %
	30-Jun-15 \$'000 Unaudited	30-Jun-14 \$'000 Audited		30-Jun-15 \$'000 Unaudited	30-Jun-14 \$'000 Audited	
Continuing operations						
Revenue	8,221	5,847	40.6	28,390	22,995	23.5
Cost of sales	(6,062)	(5,187)	16.9	(21,509)	(19,672)	9.3
Gross profit	<u>2,159</u>	<u>660</u>	227.1	<u>6,881</u>	<u>3,323</u>	107.1
Other operating income	160	182	(12.1)	1,115	1,081	3.1
Distribution costs	(13)	(16)	(18.8)	(64)	(74)	(13.5)
Administrative expenses	(1,597)	(1,088)	46.8	(4,033)	(4,714)	(14.4)
Finance costs	(9)	(8)	12.5	(31)	(37)	(16.2)
Profit/(Loss) before income tax	<u>700</u>	<u>(270)</u>	n.m.	<u>3,868</u>	<u>(421)</u>	n.m.
Income tax expense	(154)	(3)	n.m.	(146)	(118)	23.9
Profit/(Loss) for the year from continuing operations	<u>546</u>	<u>(273)</u>	n.m.	<u>3,722</u>	<u>(539)</u>	n.m.
Discontinued operations						
(Loss)/Profit for the year from discontinued operations	<u>(287)</u>	<u>(6,810)</u>	(95.8)	<u>2,828</u>	<u>(9,393)</u>	n.m.
Profit/(Loss) for the year, attributable to owners of the Company	<u><u>259</u></u>	<u><u>(7,083)</u></u>	n.m.	<u><u>6,550</u></u>	<u><u>(9,932)</u></u>	n.m.
Other comprehensive income/(loss) for the year:						
<i>Item that may be reclassified subsequently to profit or loss</i>						
Foreign currency translation differences for foreign operations	<u>837</u>	<u>113</u>	n.m.	<u>(267)</u>	<u>150</u>	n.m.
Other comprehensive income/(loss) for the year, net of tax	<u>837</u>	<u>113</u>	n.m.	<u>(267)</u>	<u>150</u>	n.m.
Total comprehensive income/(loss) for the year, attributable to owners of the Company	<u><u>1,096</u></u>	<u><u>(6,970)</u></u>	n.m.	<u><u>6,283</u></u>	<u><u>(9,782)</u></u>	n.m.
Profit/(Loss) for the year is arrived at:-						
Depreciation of property, plant and equipment	(320)	(397)	(19.4)	(1,432)	(1,649)	(13.2)
Amortisation of other intangible assets	-	(93)	(100.0)	-	(394)	(100.0)
Reversal of allowance for doubtful debts	(3)	-	n.m.	(273)	-	n.m.
Reversal of allowance for inventories obsolescence	(28)	-	n.m.	(2,179)	-	n.m.
Foreign currency exchange adjustment (loss)/gain	(808)	(234)	245.3	1,252	(443)	n.m.
Interest expenses	(8)	(27)	(70.4)	(39)	(137)	(71.5)
Interest income	21	50	(58.0)	180	267	(32.6)
Rental income	188	187	0.5	751	741	1.3
Loss on disposal of subsidiary	(143)	-	n.m.	(143)	-	n.m.

n.m. : not meaningful

1(b)(i) A statement of financial position of the Group and Company, together with a comparative statement as at the end of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	Group		Company	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
ASSETS	\$'000	\$'000	\$'000	\$'000
	Unaudited	Audited	Unaudited	Audited
Current assets				
Cash and bank balances	12,382	4,730	12,071	4,652
Fixed and call deposits	15,420	19,400	15,420	19,400
Trade receivables	6,177	3,518	6,202	3,522
Other receivables and prepayments	741	237	971	236
Inventories	3,532	3,048	3,532	3,048
Held-to-maturity financial investments	-	2,022	-	2,022
	<u>38,252</u>	<u>32,955</u>	<u>38,196</u>	<u>32,880</u>
Assets classified as held for sale and/or for distribution	46	1,227	-	-
Total current assets	<u>38,298</u>	<u>34,182</u>	<u>38,196</u>	<u>32,880</u>
Non-current assets				
Property, plant and equipment	12,662	12,511	12,662	12,501
Total non-current assets	<u>12,662</u>	<u>12,511</u>	<u>12,662</u>	<u>12,501</u>
Total assets	<u>50,960</u>	<u>46,693</u>	<u>50,858</u>	<u>45,381</u>
LIABILITIES AND EQUITY				
Current liabilities				
Bank loan	612	612	612	612
Trade payables	3,021	2,189	3,281	2,236
Other payables	2,381	1,718	2,346	1,703
Finance lease	7	48	7	48
	<u>6,021</u>	<u>4,567</u>	<u>6,246</u>	<u>4,599</u>
Liabilities directly associated with assets classified as held for sale and/or for distribution	2	1,652	-	-
Total current liabilities	<u>6,023</u>	<u>6,219</u>	<u>6,246</u>	<u>4,599</u>
Non-current liabilities				
Bank loan	996	1,608	996	1,608
Finance lease	-	2	-	2
Deferred tax liabilities	151	-	151	-
Total non-current liabilities	<u>1,147</u>	<u>1,610</u>	<u>1,147</u>	<u>1,610</u>
Total liabilities	<u>7,170</u>	<u>7,829</u>	<u>7,393</u>	<u>6,209</u>
Capital and reserves				
Share capital	31,732	31,732	31,732	31,732
Treasury shares	(933)	(933)	(933)	(933)
Reserves	12,991	7,735	12,666	8,373
Equity attributable to owners of the Company	<u>43,790</u>	<u>38,534</u>	<u>43,465</u>	<u>39,172</u>
Non-controlling interests	-	330	-	-
Total equity	<u>43,790</u>	<u>38,864</u>	<u>43,465</u>	<u>39,172</u>
Total liabilities and total equity	<u>50,960</u>	<u>46,693</u>	<u>50,858</u>	<u>45,381</u>

1(b)(ii) Aggregate amount of Group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

30 June 2015 (*)		30 June 2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
619	-	660	-

Amount repayable after one year

30 June 2015 (*)		30 June 2014	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
996	-	1,610	-

(*) Unaudited

Details of any collateral

The building and leasehold improvements with a carrying amount of \$10,680,000 (30 June 2014: \$10,700,000) are mortgaged as security for a bank loan and credit facilities.

Certain plant and equipment with a carrying amount of \$6,000 (30 June 2014: \$72,000) are secured by the lessors' titles to the leased assets.

1(c) A statement of cash flows for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOW

For the fourth quarter and full year ended 30 June 2015

	30-Jun-15 4th Quarter Ended \$'000	30-Jun-14 4th Quarter Ended \$'000	30-Jun-15 Full Year Ended \$'000	30-Jun-14 Full Year Ended \$'000
Operating activities				
Profit/(Loss) before income tax				
Continuing operations	700	(270)	3,868	(421)
Discontinued operations	(287)	(6,810)	2,829	(9,392)
Adjustments for:				
Loss on disposal of subsidiary	143	-	143	-
Depreciation of property, plant and equipment	320	397	1,432	1,649
Impairment of goodwill	-	686	-	686
Impairment of other intangible assets	-	1,439	-	1,439
Impairment of plant and equipment	-	170	-	170
(Reversal of)/Allowance for doubtful debts	(3)	352	(273)	352
(Reversal of)/Allowance for inventories obsolescence	(28)	2,760	(2,179)	2,760
Gain on disposal of property, plant and equipment	(2)	6	(4)	10
Foreign exchange gain	(638)	-	(638)	-
Amortisation of other intangible assets	-	93	-	394
Interest expenses	8	27	39	137
Interest income	(21)	(50)	(180)	(267)
Operating cash flows before movements in working capital	<u>192</u>	<u>(1,200)</u>	<u>5,037</u>	<u>(2,483)</u>
Trade receivables	(897)	16	(1,874)	3,731
Other receivables and prepayments	463	71	(389)	147
Inventories	(148)	551	1,947	(632)
Trade payables	703	218	102	(780)
Other payables	<u>605</u>	<u>921</u>	<u>(256)</u>	<u>(65)</u>
Cash generated from/(used in) operations	918	577	4,567	(82)
Income tax (paid)/refund	(3)	(14)	5	(85)
Interest paid	(8)	(27)	(39)	(137)
Interest received	21	50	180	267
Net cash generated from/(used in) operating activities	<u>928</u>	<u>586</u>	<u>4,713</u>	<u>(37)</u>
Investing activities				
Additions to property, plant and equipment	(848)	(39)	(1,593)	(399)
Proceeds from maturity of held-to-maturity investments	-	18	2,022	3,648
Proceeds from disposal of property, plant and equipment	-	-	20	-
Withdrawals from/(Placement of) fixed deposits	1,599	16,400	(12,420)	-
Net cash from/(used in) investing activities	<u>751</u>	<u>16,379</u>	<u>(11,971)</u>	<u>3,249</u>
Financing activities				
Dividends paid	(1,027)	-	(1,027)	-
Repayment of finance lease obligations	(11)	(10)	(43)	(46)
Repayment of bank loan	(153)	(153)	(612)	(612)
Net cash used in financing activities	<u>(1,191)</u>	<u>(163)</u>	<u>(1,682)</u>	<u>(658)</u>
Net effect of exchange rate changes in consolidating subsidiaries	974	90	(92)	158
Net increase/(decrease) in cash and cash equivalents	1,462	16,892	(9,032)	2,712
Cash and cash equivalents at beginning of financial period/year	10,954	4,556	21,448	18,736
Cash and cash equivalents at end of financial period/year (NOTE A)	<u>12,416</u>	<u>21,448</u>	<u>12,416</u>	<u>21,448</u>

NOTE A

	The Group			
	4th Quarter Ended \$'000	\$'000	Financial Year Ended \$'000	\$'000
Cash and cash equivalents consists of:				
Cash and bank balances	12,416	5,048	12,416	5,048
Fixed and call deposits	-	16,400	-	16,400
	<u>12,416</u>	<u>21,448</u>	<u>12,416</u>	<u>21,448</u>

Cash and cash equivalents comprise cash on hand, cash at bank and demand deposits (maturity within 3 months) that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

1(d)(i) A statement for the Group and Company showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENTS OF CHANGES IN EQUITY
For the fourth quarter and full year ended 30 June 2015

GROUP	----- Attributable to owners of the Company ----->							Non-controlling interest ⁽¹⁾	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Currency translation reserve \$'000	Share option reserve \$'000	Retained earnings \$'000	Total reserves \$'000			
Balance at 1 July 2014	31,732	(933)	116	17	7,602	7,735	330	38,864	
Total comprehensive income for the period	-	-	(262)	-	1,710	1,448	-	1,448	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	6	6	
Balance at 30 September 2014 (*)	31,732	(933)	(146)	17	9,312	9,183	336	40,318	
Total comprehensive income for the period	-	-	(401)	-	2,634	2,233	-	2,233	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	14	14	
Balance at 31 December 2014 (*)	31,732	(933)	(547)	17	11,946	11,416	350	42,565	
Total comprehensive income for the period	-	-	(441)	-	1,947	1,506	-	1,506	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	12	12	
Dividends	-	-	-	-	(1,027)	(1,027)	-	(1,027)	
Balance at 31 March 2015 (*)	31,732	(933)	(988)	17	12,866	11,895	362	43,056	
Total comprehensive income for the period	-	-	837	-	259	1,096	-	1,096	
Non-controlling interests derecognised from disposal of a subsidiary	-	-	-	-	-	-	(362)	(362)	
Balance at 30 June 2015 (*)	31,732	(933)	(151)	17	13,125	12,991	-	43,790	
Balance at 1 July 2013	31,732	(933)	(34)	17	17,534	17,517	336	48,652	
Total comprehensive income for the period	-	-	70	-	(951)	(881)	-	(881)	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	(6)	(6)	
Balance at 30 September 2013 (*)	31,732	(933)	36	17	16,583	16,636	330	47,765	
Total comprehensive income for the period	-	-	(66)	-	(1,072)	(1,138)	-	(1,138)	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	5	5	
Balance at 31 December 2013 (*)	31,732	(933)	(30)	17	15,511	15,498	335	46,632	
Total comprehensive income for the period	-	-	33	-	(826)	(793)	-	(793)	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	(1)	(1)	
Balance at 31 March 2014 (*)	31,732	(933)	3	17	14,685	14,705	334	45,838	
Total comprehensive income for the period	-	-	113	-	(7,083)	(6,970)	-	(6,970)	
Non-controlling interests relating to outstanding share-based payment transactions of a subsidiary	-	-	-	-	-	-	(4)	(4)	
Balance at 30 June 2014	31,732	(933)	116	17	7,602	7,735	330	38,864	

(*) Unaudited

(1) Representing share option reserve of a subsidiary

STATEMENTS OF CHANGES IN EQUITY

For the fourth quarter and full year ended 30 June 2015

COMPANY	Share capital	Treasury shares	Share option reserves	Retained earnings	Total reserves	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2014	31,732	(933)	17	8,356	8,373	39,172
Total comprehensive income for the period	-	-	-	825	825	825
Balance at 30 September 2014 (*)	31,732	(933)	17	9,181	9,198	39,997
Total comprehensive income for the period	-	-	-	2,004	2,004	2,004
Balance at 31 December 2014 (*)	31,732	(933)	17	11,185	11,202	42,001
Total comprehensive income for the period	-	-	-	1,702	1,702	1,702
Dividends	-	-	-	(1,027)	(1,027)	(1,027)
Balance at 31 March 2015 (*)	31,732	(933)	17	11,860	11,877	42,676
Total comprehensive income for the period	-	-	-	789	789	789
Balance at 30 June 2015 (*)	31,732	(933)	17	12,649	12,666	43,465
Balance at 1 July 2013	31,732	(933)	17	12,652	12,669	43,468
Total comprehensive income for the period	-	-	-	447	447	447
Balance at 30 September 2013 (*)	31,732	(933)	17	13,099	13,116	43,915
Total comprehensive income for the period	-	-	-	128	128	128
Balance at 31 December 2013 (*)	31,732	(933)	17	13,227	13,244	44,043
Total comprehensive income for the period	-	-	-	253	253	253
Balance at 31 March 2014 (*)	31,732	(933)	17	13,480	13,497	44,296
Total comprehensive income for the period	-	-	-	(5,124)	(5,124)	(5,124)
Balance at 30 June 2014	31,732	(933)	17	8,356	8,373	39,172

(¹) Unaudited

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.

Since the end of the previous period reported on (i.e. 31 March 2015), there was no change in the Company's share capital during the three months ended 30 June 2015.

As at 30 June 2015, there are 670,000 unissued shares comprised in options granted on 3 July 2012 and 16 November 2012 pursuant to the Avi-Tech Employee Share Option Scheme (30 June 2014: 670,000). These options were granted with an exercise price set at a discount to the then market price and are exercisable after the second anniversary from the date of the grant.

	As at 30 June 2015	As at 30 June 2014
Number of shares that may be issued on conversion of all the outstanding convertibles	670,000	NIL
Treasury Shares	7,978,000	7,978,000
Total number of issued shares excluding treasury shares	342,422,096	342,422,096

Pursuant to the share buyback mandate originally approved by the shareholders on 29 October 2008 and renewed subsequently, the Company purchased a total of 7,978,000 shares through on-market purchases transacted on the Singapore Exchange Securities Trading Limited. The total amount paid for the purchases was approximately \$933,000 which has been deducted from shareholders' equity. All the repurchased shares are held as treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

Total number of issued shares excluding treasury shares	Number of shares
Balance as at 30 June 2015	342,422,096
Balance as at 30 June 2014	342,422,096

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

As at 30 June 2015, there were no sales, transfers, disposals, cancellations and/or use of treasury shares.

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 Company's 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 computations as in the Company's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation as in the Group's most recently audited annual financial statements, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 July 2014, which may result in more extensive disclosures in the financial statements.

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.**

See item 4 above.

6. **Earnings per ordinary shares of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year.**

Group	Period/Year ended 30 June			
	4Q 2015	4Q 2014	FY 2015	FY 2014
Earnings /(Loss) per ordinary shares (cents) ("EPS")				
For continuing and discontinued operations				
Basic	0.08	(2.07)	1.91	(2.90)
Diluted	0.08	(2.06)	1.91	(2.89)
For continuing operations				
Basic	0.18	(0.08)	1.11	(0.16)
Diluted	0.18	(0.08)	1.11	(0.16)
Weighted average number of ordinary shares in issue for basic EPS	342,422,096	342,422,096	342,422,096	342,422,096
Weighted average number of ordinary shares in issue for diluted EPS	343,092,096	343,092,096	343,092,096	343,092,096

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

	GROUP		COMPANY	
	30-Jun-2015	30-Jun-2014	30-Jun-2015	30-Jun-2014
Net assets value per ordinary share (cents):	12.79	11.25	12.69	11.44
Number of ordinary shares at period/year end	342,422,096	342,422,096	342,422,096	342,422,096

As of the balance sheet date, the numbers of ordinary shares of the Group and Company used for the above calculation have been adjusted to exclude the number of treasury shares.

8. **Review of Group Performance for the Fourth Quarter ended 30 June 2015 (“4Q 2015”) vs. Fourth Quarter ended 30 June 2014 (“4Q 2014”) and Full Year ended 30 June 2015 (“FY 2015”) vs. Full Year ended 30 June 2014 (“FY 2014”).**

STATEMENT OF COMPREHENSIVE INCOME

Revenue from continuing operations

FY 2015 vs. FY 2014

In FY 2015, the Group reported revenue of \$28.4 million, an increase of \$5.4 million or 23.5% as compared to FY 2014 of \$23.0 million. The revenue was mainly contributed by the Burn-in Boards and Board Manufacturing business segment, which registered higher revenue of \$13.8 million in FY 2015 as compared to \$13.4 million in FY 2014. The Burn-in Services and the Engineering Services business segments reported higher revenue of \$6.7 million and \$7.9 million respectively in FY 2015, as compared to \$4.6 million and \$5.0 million respectively in FY 2014.

4Q 2015 vs. 4Q 2014

In 4Q 2015, the Group reported revenue of \$8.2 million, an increase of \$2.4 million or 40.6% as compared to 4Q 2014 of \$5.8 million. The revenue was mainly contributed by the Burn-in Boards and Board Manufacturing business segment, which registered revenue of \$3.3 million in 4Q 2015, remaining relatively stable as compared to \$3.1 million in 4Q 2014. The Burn-in Services and the Engineering Services business segments reported higher revenue of \$2.2 million and \$2.7 million respectively in 4Q 2015, as compared to \$1.3 million and \$1.4 million respectively in 4Q 2014.

Gross profit from continuing operations

FY 2015 vs. FY 2014/4Q 2015 vs. 4Q 2014

The Group reported a gross profit of \$6.9 million for FY 2015, an increase of \$3.6 million or 107.1% as compared to \$3.3 million for FY 2014. Gross profit margin over that year had also increased from 14.5% in FY 2014 to 24.2% in FY 2015.

The Group reported a gross profit of \$2.2 million for 4Q 2015, an increase of \$1.5 million or 227.1% as compared to \$0.7 million for 4Q 2014. Gross profit margin over that period had also increased from 11.3% in 4Q 2014 to 26.3% in 4Q 2015.

The increase in the gross profit margin for the two comparative periods was primarily due to the higher revenue reported by all the three business segments. The improved performance was attributed to effective ongoing cost control measures and the enhancement in productivity across all business segments.

Profit for the period

FY 2015 vs. FY 2014/4Q 2015 vs. 4Q 2014

The Group reported a profit of \$6.6 million for FY 2015 as compared to a loss of \$9.9 million for FY 2014, aided by a profit of \$0.3 million for 4Q 2015 as compared to a loss of \$7.1 million for 4Q 2014, representing a significant transition from loss-making to profitability over the year.

The transition from loss-making to profitability was attributed to the profits registered in the continuing operations where the Burn-in Boards and Board Manufacturing, Burn-in Services and Engineering Services business segments had recorded an increase in revenue as well as higher gross profit margin. This is in addition to the gains registered in the discontinued operations of the US subsidiaries. FY 2015 also registered favourable foreign exchange gain as compared to FY 2014 which had attributed to a decrease in administrative expenses and an increase in profitability.

DISCONTINUED OPERATIONS

The Company had started the process of winding down the operations of the Imaging Equipment and Energy Efficient Product business segment, two subsidiaries in the United States during last quarter of FY 2014.

The liquidation of one subsidiary, Aplegen, Inc., was completed in 4Q 2015. The impact of liquidation of the subsidiary is recorded under discontinued operations in the statement of comprehensive income.

The liquidation of the other subsidiary, Verde Designs, Inc., is expected to be completed within the subsequent quarter ending 30 September 2015. The assets and liabilities attributable to this subsidiary have been classified as a disposal group held for sale and/or distribution and are presented separately in the statement of financial position.

The results of the discontinued operations in the Imaging Equipment and Energy Efficient Products business segment are as follows:

	4Q 2015 \$'000 Unaudited	4Q 2014 \$'000 Audited	FY 2015 \$'000 Unaudited	FY 2014 \$'000 Audited
Revenue	168	1,809	1,533	7,895
Total(expenses)/income	<u>(455)</u>	<u>(8,619)</u>	<u>1,296</u>	<u>(17,287)</u>
(Loss)/Profit before income tax*	(287)	(6,810)	2,829	(9,392)
Income tax expenses	-	-	(1)	(1)
(Loss)/Profit for the period/year	<u>(287)</u>	<u>(6,810)</u>	<u>2,828</u>	<u>(9,393)</u>

* Includes sales and recovery of impaired assets

The impact of liquidation of the subsidiary is as follows:

	2015 \$'000 Unaudited
Loss on disposal:	
Consideration received	760
Net assets derecognised	(756)
Non-controlling interest derecognised	356
Cumulative exchange differences in respect of net assets of the subsidiary reclassified from equity on loss of control of subsidiary	<u>(503)</u>
Loss on disposal	<u>(143)</u>

STATEMENT OF FINANCIAL POSITION

Total Group's assets increased by \$4.3 million or 9.1% from \$46.7 million as at 30 June 2014 to \$51.0 million as at 30 June 2015. The increase was primarily due to the increase in cash and cash balances as well as trade receivables of \$3.7 million and \$2.7 million respectively. The overall increase is offset by the decrease in held-to-maturity financial investments of \$2.0 million due to maturity of the investments.

Total Group's liabilities decreased by \$0.6 million or 8.4% from \$7.8 million as at 30 June 2014 to \$7.2 million as at 30 June 2015. The decrease was primarily due to the reduction in liabilities directly associated with assets classified as held for sale and/or for distribution as well as the repayment of bank loan of \$1.7 million and \$0.6 million respectively. The overall decrease is offset by the deferred tax liabilities of \$0.2 million and increase of trade and other payables of \$1.5 million.

The Group had a positive working capital of \$32.3 million as at 30 June 2015 as compared with \$28.0 million as at 30 June 2014.

STATEMENT OF CASH FLOW

The Group generated net cash from operating activities of \$4.7 million for FY 2015. This was primarily due to profits generated during the year, which was partially offset by increase in trade and other receivables.

Net cash used in investing activities was \$12.0 million, which was mainly due to the placement of fixed deposits with financial institutions with over three month tenures upon maturity as well as the acquisition of plant and equipment, which was partially offset by the proceeds from maturity of held-to-maturity investments.

Net cash used in financing activities was \$1.7 million, primarily due to dividend payout and repayment of bank loan of \$1.0 million and \$0.6 million respectively.

There was a decrease in cash and cash equivalents of \$9.0 million for FY 2015.

The Group closed the year with cash of \$12.4 million and with bank borrowings of \$1.6 million.

ASSETS CLASSIFIED AS HELD FOR SALE AND/OR FOR DISTRIBUTION

The major classes of assets and liabilities comprising the disposal group are as follows:

	30-Jun-15 \$'000 Unaudited	30-Jun-14 \$'000 Audited
Cash and bank balances	34	318
Trade receivables	9	521
Other receivables and prepaid expenses	3	117
Inventories	-	253
Property, plant and equipment	-	18
Total assets	46	1,227
Trade payables		(733)
Other payables	(2)	(919)
Total liabilities	(2)	(1,652)
Net assets/(liabilities) of disposal group	44	(425)

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

The Company did not make any forecasts and prospect statements in respect of the Group's results for the period ended 31 March 2015. The Group's results for 4Q 2015 were generally in line with the commentary set out in paragraph 10 of the Group's previous results announcement in respect of the period ended 31 March 2015.

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.

The Group continues to report a positive growth for 4Q 2015 and registered a profit of \$6.6 million in FY 2015.

The Group remains optimistic of the continuing improved performance for all the business segments and remains committed to building and optimising our core strengths and resources to sustain growth and performance in the future.

The Group will also continue to practise prudent cost management and enhance productivity. At the same time, the Group will proactively seek for new areas of partnership and opportunities to grow its businesses, such as mergers and acquisitions, or any structure or business which will benefit the shareholders.

11. Dividends

(a) Current financial year reported on

Any dividend declared for the current financial period reported on?

Dividend declared and paid

Period	31 December 2014
Name of Dividend	Interim
Dividend Type	Cash
Dividend Rate	0.3 cents per ordinary share
Tax Rate	One tier tax exempt

Dividend proposed

Period	30 June 2015	30 June 2015
Name of Dividend	Final	Special
Dividend Type	Cash	Cash
Dividend Rate	0.3 cents per ordinary share	0.7 cents per ordinary share
Tax Rate	One tier tax exempt	One tier tax exempt

(b) Corresponding period of the immediately preceding financial year

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

No.

(c) State the tax rate and the country where the dividend is derived.

See item 11(a) above.

(d) The date the dividend is payable.

Final dividend

The proposed one-tier tax exempt final dividend, which shall be subject to shareholders' approval at the forthcoming annual general meeting of the Company, is payable on 18 November 2015.

Special dividend

The proposed one-tier tax exempt special dividend, which shall be subject to shareholders' approval at the forthcoming annual general meeting of the Company, is payable on 29 February 2016.

(e) Books Closure Date.

Final dividend

Notice is hereby given that the Transfer books and the Register of Members will be closed on 6 November 2015 for the preparation of the final dividend.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to 5:00 p.m. on 5 November 2015 will be registered to determine shareholders' entitlement to the one-tier tax exempt final dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5:00 p.m. on 5 November 2015 will be entitled to the final dividend.

Special dividend

Notice is hereby given that the Transfer books and the Register of Members will be closed on 18 February 2016 for the preparation of the special dividend.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, up to 5:00 p.m. on 17 February 2016 will be registered to determine shareholders' entitlement to the one-tier tax exempt special dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5:00 p.m. on 17 February 2016 will be entitled to the special dividend.

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

Not applicable.

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

The Group has not sought a general mandate from shareholders for IPTs.

14. **Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed.**

The Group raised approximately \$29.0 million from its IPO on 25 July 2007. As at 30 June 2015, the total net proceeds of approximately \$26.7 million (after deducting the IPO expenses of approximately \$2.3 million, as disclosed on page 33 of the Company's prospectus dated 11 July 2007) from the IPO were used for the following purposes:

	Use of IPO proceeds as at 30 June 2015 (\$ million)	Balance as at 30 June 2015 (\$ million)
Expansion of our customer base and widen our portfolio of services	6.0	0.0
Potential mergers and acquisitions	2.8	5.2
Expansion of our overseas operations	3.0	0.0
Working capital	9.7	0.0
Total	21.5	5.2

The IPO proceeds used for working capital purposes have been applied to the following uses:

- Purchase of plant and equipment;
- Purchase and replenishment of inventories;
- Payments to suppliers and service providers;
- Loan repayments; and
- Payments for other day to day operations.

Management has confirmed that the above use of proceeds was in line with the Company's planned utilisation of funds.

PART II - Additional information required for full year announcement

15. **Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the Company's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Revenues by major business segments and by geographical areas (identified by location of customers) were:

Year ended 30 June 2015

	Burn-in Services \$'000	Burn-in Boards and Board Manufacturing \$'000	Engineering Services \$'000	Imaging Equipment and Energy Efficient Products \$'000	Eliminations	Total \$'000
Business segments						
<u>Continuing operations</u>						
Revenue						
External revenue	6,656	13,844	7,890	-	-	28,390
Inter-segment revenue	-	745	91	-	(836)	-
	<u>6,656</u>	<u>14,589</u>	<u>7,981</u>	<u>-</u>	<u>(836)</u>	<u>28,390</u>
Segment results	1,292	1,971	(322)	-	-	2,941
Interest expense						(31)
Interest income						180
Rental income						751
Unallocated income						564
Unallocated expenses						(537)
Profit before income tax						<u>3,868</u>
Income tax expense						(146)
Profit for the year (continuing operations)						<u><u>3,722</u></u>
<u>Discontinued operations</u>						
Revenue						
External revenue				1,533		<u>1,533</u>
						<u>1,533</u>
Segment results				2,837		2,837
Interest expense						(8)
Profit before income tax						<u>2,829</u>
Income tax expense						(1)
Profit for the year (discontinued operations)						<u><u>2,828</u></u>
Consolidated Balance Sheet						
Assets						
Segment assets	5,512	10,635	6,225	45		22,417
Unallocated corporate assets						<u>28,543</u>
Total assets						<u>50,960</u>
Liabilities						
Segment liabilities	1,263	2,625	1,514	2		5,404
Unallocated corporate liabilities						<u>1,766</u>
Total liabilities						<u>7,170</u>
Other Information						
Capital expenditure	905	586	102	-		1,593
Depreciation						
Allocated	335	696	401	-		1,432

Year ended 30 June 2014

	Burn-in Services \$'000	Burn-in Boards and Board Manufacturing \$'000	Engineering Services \$'000	Imaging Equipment and Energy Efficient Products \$'000	Eliminations	Total \$'000
Business segments						
<u>Continuing operations</u>						
Revenue						
External revenue	4,591	11,071	7,333	-	-	22,995
Inter-segment revenue		3,099	394	-	(3,493)	-
	<u>4,591</u>	<u>14,170</u>	<u>7,727</u>	<u>-</u>	<u>(3,493)</u>	<u>22,995</u>
Segment results	(841)	2,074	(2,180)	-	-	(947)
Interest expense						(37)
Interest income						267
Rental income						741
Unallocated income						48
Unallocated expenses						(493)
Loss before income tax						<u>(421)</u>
Income tax expense						(118)
Loss for the year (continuing operations)						<u><u>(539)</u></u>
<u>Discontinued operations</u>						
Revenue						
External revenue				7,895		<u>7,895</u>
						<u>7,895</u>
Segment results				(9,292)		(9,292)
Interest expense						(100)
Loss before income tax						<u>(9,392)</u>
Income tax expense						(1)
Loss for the year (discontinued operations)						<u><u>(9,393)</u></u>
Consolidated Balance Sheet						
Assets						
Segment assets	3,400	9,960	5,722	1,227		20,309
Unallocated corporate assets						<u>26,384</u>
Total assets						<u>46,693</u>
Liabilities						
Segment liabilities	584	1,710	983	1,652		4,929
Unallocated corporate liabilities						<u>2,900</u>
Total liabilities						<u>7,829</u>
Other Information						
Capital expenditure	4	204	1	190		399
Depreciation						
Allocated	290	849	488	22		1,649
Amortisation of intangible assets						
Allocated	-	-	-	394		394

Geographical Segments

Geographical Segments

	Revenue		Carrying amount of non-current assets	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<u>Continuing operations</u>				
Singapore	14,753	12,421	12,662	12,511
USA	6,611	5,377	-	-
Malaysia	2,845	2,797	-	-
Others	4,181	2,400	-	-
<u>Discontinued operations</u>				
USA	1,533	7,895	-	-
	<u>29,923</u>	<u>30,890</u>	<u>12,662</u>	<u>12,511</u>

Included in revenues of \$29,923,000 (FY 2014: \$30,890,000) are revenues of approximately \$7,625,000 (FY 2014: \$4,713,000) which arose from sales to the Group's largest customer.

16. **In the review of performance, the factors leading to any material changes in contribution to turnover and earnings by the business or geographical segments.**

See item 8 above.

17. **A breakdown of sales**

	2015 \$'000	2014 \$'000	Change %
First Half			
Revenue	15,444	15,611	(1.1)
Profit/(Loss) after tax before deducting non controlling interest	4,344	(2,023)	n.m.
Second Half			
Revenue	14,479	15,279	(5.2)
Profit/(Loss) after tax before deducting non controlling interest	2,206	(7,909)	n.m.

n.m. : Not meaningful

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

Not applicable.

19. **Disclosure of 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 pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr Lim Eng Hong	66	Founder and substantial shareholder	Chief Executive Officer	Nil
Mr Alvin Lim Tai Meng	39	Son of Mr Lim Eng Hong	Chief Operating Officer	Nil

BY ORDER OF THE BOARD
Lim Eng Hong
Chief Executive Officer
26 August 2015