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**AVI-TECH ELECTRONICS LIMITED**  
Company Registration No. 198105976H  
(the “**Company**”)

**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX-ST LISTING MANUAL**

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With effect from 3 September 2014, the Company has been placed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Watch-List, pursuant to Rule 1311 of the SGX-ST Mainboard Listing Rules.

In accordance with Rule 1313(2), the Board of Directors of the Company would like to provide the following quarterly update on the Company, together with its subsidiaries (collectively, the “**Group**”).

**1. Update on Financial Position and Outlook**

The Group registered a 40.6% growth in revenue to \$8.2 million for the fourth quarter ended 30 June 2015 (“**4Q 2015**”), compared to \$5.8 million in the previous corresponding period (“**4Q 2014**”). The revenue was mainly contributed by the Burn-in Boards and Board Manufacturing business segment, which registered a 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. Overall, all the three business segments continue to maintain steady growth for 4Q 2015.

The Group recorded a net profit attributable to shareholders of \$0.3 million in 4Q 2015, compared to a net loss attributable to shareholders of \$7.1 million in 4Q 2014. This favourable position for 4Q 2015 was primarily attributable to the improvements registered by the Burn-in Boards and Board Manufacturing, the Burn-in Services and the Engineering Services business segments. The overall profit was partially offset by the one-off impact of liquidation of one of the US subsidiaries.

For 4Q 2015, the Group reported net cash and cash equivalents of \$12.4 million, as compared to \$21.4 million in 4Q 2014. The decrease in cash and cash equivalents was mainly due to the dividend payout and cash used in acquisition of plant and equipment, which was partially offset by profits generated during the period.

**2. Material Development and Future Direction**

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 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.

The Company will endeavour to meet the requirements of Rule 1314 of the SGX-ST Listing Manual.

**BY ORDER OF THE BOARD**

**Lim Eng Hong**  
Chief Executive Officer  
Director

**26 August 2015**