

# AVI-TECH ELECTRONICS LIMITED

(Company Registration No. 198105976H)

## Unaudited Financial Statements for the First Quarter ended 30 September 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 first quarter ended 30 September 2015

	Group		Change	
	1st Quarter Ended 30-Sep-15 \$'000 Unaudited	30-Sep-14 \$'000 Unaudited	\$'000	%
<b>Continuing operations</b>				
Revenue	7,985	7,213	772	10.7
Cost of sales	(5,331)	(5,932)	601	(10.1)
<b>Gross profit</b>	<u>2,654</u>	<u>1,281</u>	1,373	107.2
Other operating income	279	256	23	9.0
Distribution costs	(19)	(14)	(5)	35.7
Administrative expenses	(605)	(821)	216	(26.3)
Finance costs	(8)	(7)	(1)	14.3
Profit before income tax	<u>2,301</u>	<u>695</u>	1,606	n.m.
Income tax (expense)/benefit	(380)	1	(381)	n.m.
Profit for the period from continuing operations	<u>1,921</u>	<u>696</u>	1,225	n.m.
<b>Discontinued operation</b>				
(Loss)/Profit for the period from discontinued operations	<u>(153)</u>	<u>1,014</u>	(1,167)	n.m.
<b>Profit for the period, attributable to owners of the Company</b>	<u><u>1,768</u></u>	<u><u>1,710</u></u>	58	3.4
<b>Other comprehensive income/(loss) for the period:</b>				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences for foreign operations	<u>169</u>	<u>(262)</u>	431	n.m.
Other comprehensive income/(loss) for the period, net of tax	<u>169</u>	<u>(262)</u>	431	n.m.
<b>Total comprehensive income for the period, attributable to owners of the Company</b>	<u><u>1,937</u></u>	<u><u>1,448</u></u>	489	33.8
<b>Profit for the period is arrived at:-</b>				
Depreciation of property, plant and equipment	(289)	(373)	84	(22.5)
Reversal of allowance for doubtful debts	-	176	(176)	n.m.
Reversal of allowance for inventories obsolescence	-	874	(874)	n.m.
Foreign currency exchange adjustment gain	585	386	199	51.6
Interest expenses	(8)	(11)	3	(27.3)
Interest income	64	46	18	39.1
Rental income	190	187	3	1.6

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 September 2015**

	Group		Company	
	30-Sep-15 \$'000 Unaudited	30-Jun-15 \$'000 Audited	30-Sep-15 \$'000 Unaudited	30-Jun-15 \$'000 Audited
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
Cash and bank balances	8,510	12,382	8,440	12,071
Fixed and call deposits	20,420	15,420	20,420	15,420
Trade receivables	5,861	6,177	5,904	6,202
Other receivables and prepayments	231	741	193	971
Inventories	3,122	3,532	3,122	3,532
	<u>38,144</u>	<u>38,252</u>	<u>38,079</u>	<u>38,196</u>
Assets classified as held for sale and/or for distribution	1	46	-	-
Total current assets	<u>38,145</u>	<u>38,298</u>	<u>38,079</u>	<u>38,196</u>
<b>Non-current assets</b>				
Property, plant and equipment	12,437	12,662	12,437	12,662
Held-to-maturity financial assets	1,010	-	1,010	-
Total non-current assets	<u>13,447</u>	<u>12,662</u>	<u>13,447</u>	<u>12,662</u>
<b>Total assets</b>	<u>51,592</u>	<u>50,960</u>	<u>51,526</u>	<u>50,858</u>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Bank loan	612	612	612	612
Trade payables	1,589	3,021	1,896	3,281
Other payables	2,236	2,381	2,226	2,346
Finance lease	12	7	12	7
Income tax payable	380	-	380	-
	<u>4,829</u>	<u>6,021</u>	<u>5,126</u>	<u>6,246</u>
Liabilities directly associated with assets classified as held for sale and/or for distribution	1	2	-	-
Total current liabilities	<u>4,830</u>	<u>6,023</u>	<u>5,126</u>	<u>6,246</u>
<b>Non-current liabilities</b>				
Bank loan	843	996	843	996
Finance lease	41	-	41	-
Deferred tax liabilities	151	151	151	151
Total non-current liabilities	<u>1,035</u>	<u>1,147</u>	<u>1,035</u>	<u>1,147</u>
<b>Total liabilities</b>	<u>5,865</u>	<u>7,170</u>	<u>6,161</u>	<u>7,393</u>
<b>Capital and reserves</b>				
Share capital	31,732	31,732	31,732	31,732
Treasury shares	(933)	(933)	(933)	(933)
Reserves	14,928	12,991	14,566	12,666
<b>Total equity</b>	<u>45,727</u>	<u>43,790</u>	<u>45,365</u>	<u>43,465</u>
<b>Total liabilities and total equity</b>	<u>51,592</u>	<u>50,960</u>	<u>51,526</u>	<u>50,858</u>

**1(b)(ii) Aggregate amount of Group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

<b>30 September 2015 (*)</b>		<b>30 June 2015</b>	
<b>Secured \$'000</b>	<b>Unsecured \$'000</b>	<b>Secured \$'000</b>	<b>Unsecured \$'000</b>
624	-	619	-

**Amount repayable after one year**

<b>30 September 2015 (*)</b>		<b>30 June 2015</b>	
<b>Secured \$'000</b>	<b>Unsecured \$'000</b>	<b>Secured \$'000</b>	<b>Unsecured \$'000</b>
884	-	996	-

(\*) Unaudited

**Details of any collateral**

The building and leasehold improvements with a carrying amount of \$10,618,000 (30 June 2015: \$10,680,000) are mortgaged as security for a bank loan and credit facilities.

Certain plant and equipment with a carrying amount of \$103,000 (30 June 2015: \$6,000) 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 first quarter ended 30 September 2015

	30-Sep-15 1st Quarter Ended \$'000	30-Sep-14 1st Quarter Ended \$'000
<b>Operating activities</b>		
Profit/(Loss) before income tax		
Continuing operations	2,301	695
Discontinued operations	(153)	1,015
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	289	373
Reversal of allowance for doubtful debts	-	(176)
Reversal if allowance for inventories obsolescence	-	(874)
Gain on disposal of property, plant and equipment	-	(1)
Interest expenses	8	11
Interest income	(64)	(46)
Operating cash flows before movements in working capital	<u>2,381</u>	<u>997</u>
Trade receivables	325	(906)
Other receivables and prepayments	513	(815)
Inventories	410	1,593
Trade payables	(1,435)	(95)
Other payables	(144)	(335)
Cash generated from operations	<u>2,050</u>	<u>439</u>
Income tax refund	-	1
Interest paid	(8)	(11)
Interest received	64	46
Net cash from operating activities	<u>2,106</u>	<u>475</u>
<b>Investing activities</b>		
Additions to property, plant and equipment	(6)	(554)
Purchase of held-to-maturity investment	(1,010)	19
(Placements of)/Withdrawals from fixed deposits	(5,000)	1,000
Net cash (used in)/from investing activities	<u>(6,016)</u>	<u>465</u>
<b>Financing activities</b>		
Repayment of finance lease obligations	(13)	(11)
Repayment of bank loan	(153)	(153)
Net cash used in financing activities	<u>(166)</u>	<u>(164)</u>
<b>Net effect of exchange rate changes in consolidating subsidiaries</b>	170	(249)
Net (decrease)/increase in cash and cash equivalents	(3,906)	527
Cash and cash equivalents at beginning of financial period	12,416	21,448
<b>Cash and cash equivalents at end of financial period (NOTE A)</b>	<u>8,510</u>	<u>21,975</u>

**NOTE A**

	The Group 1st Quarter Ended	
	30-Sep-15 \$'000	30-Sep-14 \$'000
Cash and cash equivalents consists of:		
Cash and bank balances	8,510	4,575
Fixed and call deposits	-	17,400
	<u>8,510</u>	<u>21,975</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 first quarter ended 30 September 2015

	----- Attributable to owners of the Company -----							Total \$'000
	Share capital \$'000	Treasury shares \$'000	Currency translation reserve \$'000	Share option reserve \$'000	Retained earnings \$'000	Total reserves \$'000	Non- controlling interest <sup>(1)</sup> \$'000	
<b>GROUP</b>								
<b>Balance at 1 July 2015</b>	31,732	(933)	(151)	17	13,125	12,991	-	43,790
Total comprehensive income for the period	-	-	169	-	1,768	1,937	-	1,937
<b>Balance at 30 September 2015 (*)</b>	<u>31,732</u>	<u>(933)</u>	<u>18</u>	<u>17</u>	<u>14,893</u>	<u>14,928</u>	<u>-</u>	<u>45,727</u>
<b>Balance at 1 July 2014</b>	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
<b>Balance at 30 September 2014 (*)</b>	<u>31,732</u>	<u>(933)</u>	<u>(146)</u>	<u>17</u>	<u>9,312</u>	<u>9,183</u>	<u>336</u>	<u>40,318</u>

(\*) Unaudited

(1) Representing share option reserve of a subsidiary

	Share capital \$'000	Treasury shares \$'000	Share option reserves \$'000	Retained earnings \$'000	Total reserves \$'000	Total \$'000
<b>COMPANY</b>						
<b>Balance at 1 July 2015</b>	31,732	(933)	17	12,649	12,666	43,465
Total comprehensive income for the period	-	-	-	1,900	1,900	1,900
<b>Balance at 30 September 2015 (*)</b>	<u>31,732</u>	<u>(933)</u>	<u>17</u>	<u>14,549</u>	<u>14,566</u>	<u>45,365</u>
<b>Balance at 1 July 2014</b>	31,732	(933)	17	8,356	8,373	39,172
Total comprehensive income for the period	-	-	-	825	825	825
<b>Balance at 30 September 2014 (*)</b>	<u>31,732</u>	<u>(933)</u>	<u>17</u>	<u>9,181</u>	<u>9,198</u>	<u>39,997</u>

(\*) 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. 30 June 2015), there was no change in the Company's share capital during the three months ended 30 September 2015.

As at 30 September 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 2015: 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.

	<b>As at 30 September 2015</b>	<b>As at 30 September 2014</b>
<b>Number of shares that may be issued on conversion of all the outstanding convertibles</b>	670,000	NIL
<b>Treasury Shares</b>	7,978,000	7,978,000
<b>Total number of issued shares excluding treasury shares</b>	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**

<b>Total number of issued shares excluding treasury shares</b>	<b>Number of shares</b>
Balance as at 30 September 2015	342,422,096
Balance as at 30 June 2015	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 September 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 2015, 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	1 <sup>st</sup> Quarter ended 30 September	
	FY2016	FY2015
<b>Earnings per ordinary shares (cents) ("EPS")</b>		
<b>For continuing and discontinued operations</b>		
Basic	0.52	0.50
Diluted	0.52	0.50
<b>For continuing operations</b>		
Basic	0.56	0.20
Diluted	0.56	0.20
Weighted average number of ordinary shares in issue for basic EPS	342,422,096	342,422,096
Weighted average number of ordinary shares in issue for diluted EPS	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-Sep-2015	30-Jun-2015	30-Sep-2015	30-Jun-2015
Net assets value per ordinary share (cents):	13.35	12.79	13.25	12.69
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 First Quarter ended 30 September 2015 ("1Q 2016") vs. First Quarter ended 30 September 2014 ("1Q 2015").**

#### **STATEMENT OF COMPREHENSIVE INCOME**

##### **Revenue from continuing operations**

In 1Q 2016, the Group reported a revenue of \$8.0 million, an increase of \$0.8 million or 10.7% as compared to 1Q 2015 of \$7.2 million. The Burn-In Services and the Engineering Services business segments reported higher revenue of \$2.2 million and \$3.0 million respectively in 1Q 2016, as compared to \$1.3 million and \$2.5 million respectively in 1Q 2015. The Burn-In Boards and Board Manufacturing business segment continues to contribute steadily to Group revenue in 1Q 2016, with a slight decrease in revenue from \$3.4 million in 1Q 2015 to \$2.8 million in 1Q 2016. Overall, 1Q 2016 registered improved performance when compared with 1Q 2015.

##### **Gross profit from continuing operations**

The Group reported a gross profit of \$2.7 million for 1Q 2016, an increase of \$1.4 million or 107.2% as compared to \$1.3 million for 1Q 2015. Gross profit margin had also increased from 17.8% in 1Q 2015 to 33.2% in 1Q 2016.

The increase in gross profit margin was primarily due to the economies of scale achieved with higher revenue registered in this quarter, combined with successful planning and timely implementation of cost control measures.

##### **Profit for the period**

The Group reported a profit of \$1.8 million for 1Q 2016 as compared to \$1.7 million for 1Q 2015 with an operating profit (profit before income tax) of \$2.3 million and \$0.7 million respectively. The increase in profit for the comparative periods was attributed to the higher revenue achieved by each business segment which contributed relatively equal proportional sales, while at the same time registering higher gross profit margin. The improved performance was also enhanced by the reduction in administrative expenses attributable to favourable foreign exchange gain, as well as on-going cost control measures.



## **DISCONTINUED OPERATIONS**

The Company had started winding down the operations of two subsidiaries in the United States of America since 4Q FY 2014. While the liquidation of one subsidiary, Aplegen, Inc., had been completed in 4Q 2015, the necessary application(s) and documentation for the liquidation of the other subsidiary, Verde Designs, Inc., have been duly filed with the relevant authorities and is currently pending confirmation and approval from the relevant authorities.

The assets and liabilities of Verde Designs, Inc. which are expected to be sold or distributed 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:

	1st Quarter Ended	
	30-Sep-15	30-Sep-14
	\$'000	\$'000
	Unaudited	Unaudited
Revenue	-	1,288
Total expenses	(153)	(273)
(Loss)/Profit before income tax*	(153)	1,015
Income tax expenses	-	(1)
(Loss)/Profit for the period	(153)	1,014

\* Includes sales and recovery of impaired assets

## **STATEMENT OF FINANCIAL POSITION**

Total Group's assets increased by \$0.6 million or 1.2% from \$51.0 million as at 30 June 2015 to \$51.6 million as at 30 September 2015. The increase was primarily due to the increase in fixed and call deposits of \$5.0 million and held-to-maturity financial assets of \$1.0 million. The overall increase was offset by the decrease in cash and cash balances of \$3.9 million, trade and other receivables of \$0.8 million, inventories of \$0.4 million as well as property, plant and equipment of \$0.2 million.

Total Group's liabilities decreased by \$1.3 million or 18.2% from \$7.2 million as at 30 June 2015 to \$5.9 million as at 30 September 2015. The decrease was primarily due to the decrease in trade and other payables of \$1.6 million. The overall decrease was offset by the increase in income tax payable of \$0.4 million.

The Group had a positive working capital of \$33.3 million as at 30 September 2015 as compared with \$32.3 million as at 30 June 2015.

## **STATEMENT OF CASH FLOW**

The Group generated net cash from operating activities of \$2.1 million for 1Q 2016. This was primarily due to the profit generated during the quarter.

Net cash used in investing activities was \$6.0 million, which was mainly attributed to the fixed deposits placed with financial institutions with over three month tenures and the purchase of held-to-maturity investments of \$5.0 million and \$1.0 million respectively. Net cash used in financing activities was \$0.2 million, which was primarily due to repayment of bank loans and finance lease obligations.

There was a decrease in cash and cash equivalents of \$3.9 million for 1Q 2016.

The Group closed the period with cash of \$8.5 million and bank borrowings of \$1.5 million.

## **ASSETS CLASSIFIED AS HELD FOR SALE AND/OR FOR DISTRIBUTION**

As at 30 June 2015, the Group had completed the voluntary liquidation for one of the subsidiaries, Aplegen, Inc.

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

	<b>30-Sep-15</b> <b>\$'000</b> <b>Unaudited</b>	<b>30-Jun-15</b> <b>\$'000</b> <b>Audited</b>
Cash and bank balances	-	34
Trade receivables	-	9
Other receivables and prepaid expenses	1	3
<b>Total assets</b>	<b>1</b>	<b>46</b>
Other payables	(1)	(2)
<b>Total liabilities</b>	<b>(1)</b>	<b>(2)</b>
<b>Net assets/(liabilities) of disposal group</b>	<b>-</b>	<b>44</b>

**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 30 June 2015. The Group's results for the first quarter ended 30 September 2015 were generally in line with the commentary under paragraph 10 of the Group's previous results announcement in respect of the period ended 30 June 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 positive growth and registered a profit of \$1.8 million in 1Q 2016, with an operating profit (profit before income tax) of \$2.3 million. This is the Group's fifth consecutive positive quarterly performance.

The Group, having registered five consecutive quarters of profit, remains optimistic of continuing the steady positive performance. The Group is hopeful of improved performance across all the business segments.

The Group will continue to leverage on its core competencies and capabilities to search for new revenue stream and expand its customer base. In addition, the Group continues to pursue operational excellence by maintaining stringent cost control measures, increasing productivity and maintaining a robust financial position so as to support any potential initiatives for growth. At the same time, the Group will proactively seek new areas of partnership and opportunity to grow its businesses, such as mergers and acquisitions, with the aim of ultimately providing greater returns to the shareholders.

**11. Dividends**

**(a) Any dividend declared for the current financial period reported on.**

No.

**(b) 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.**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) Books Closure Date.**

Not applicable.

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

No dividend has been declared or recommended for the current financial period reported on.

**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 September 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:

	<b>Use of IPO proceeds as at 30 September 2015 (S\$ million)</b>	<b>Balance as at 30 September 2015 (S\$ million)</b>
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
<b>Total</b>	<b>21.5</b>	<b>5.2</b>

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.

**15. Negative Confirmation pursuant to Rule 705 (5) of the Listing Manual**

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial statements of the Group and the Company for the first quarter ended 30 September 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors of Avi-Tech Electronics Limited

**Lim Eng Hong**  
Chief Executive Officer and Director

**Khor Thiam Beng**  
Chairman and Independent Director

**BY ORDER OF THE BOARD**  
**Lim Eng Hong**  
Chief Executive Officer  
12 November 2015