



Asian Micro Holdings Limited

FULL YEAR FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 JUNE 2016

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL-YEAR 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.

	Group		% Change
	S\$'000		
	12 mths ended 30 June 2016 S\$'000	12 mths ended 30 June 2015 S\$'000	
Revenue	4,703	6,047	-22%
Cost of sales	(3,085)	(3,935)	-22%
Gross Profit	1,618	2,112	-23%
Distribution & selling expenses	(50)	(508)	-90%
Administrative expenses	(1,985)	(2,211)	-10%
Other operating income, net	209	978	-79%
(Loss) / Profit from operations	(208)	371	NM
Financial expenses	(13)	(19)	-32%
Financial income	7	1	600%
(Loss) / Profit before taxation	(214)	353	NM
Taxation	-	(90)	-100%
(Loss) / Profit for the year	(214)	263	NM
Attributable to :			
Equity holders of the Company	(37)	609	NM
Non-controlling interests	(177)	(346)	-49%
(Loss) / Profit for the year	(214)	263	NM
Other comprehensive income (net of tax):			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	599	(497)	NM
Total comprehensive income / (loss) for the year	385	(234)	NM
Attributable to:			
Equity holders of the Company	453	192	136%
Non-controlling interests	(68)	(426)	-84%
Total comprehensive income / (loss) for the year	385	(234)	NM

NM: Not Meaningful

Other operating income mainly comprised of the following:-

* Allowance for doubtful debts (trade)	(10)	(132)
* Allowance for doubtful debts (non trade)	(2)	(10)
* Allowance for inventories obsolescence	(81)	(344)
* Foreign exchange (loss)/gain	(564)	597
* Gain on disposal of plant and equipment	24	214
* Miscellaneous income	194	22
* Recovery of professional fee in relation to proposed Reverse Take Over transaction	-	387
* Sales of scrap	3	37
* Waiver of payables	117	-
* Write off of accrual	188	193
* Write back of allowance for doubtful debts	16	-
* Write back of allowance for inventories obsolescence	326	12
(Loss) / Profit for the year is derived at after charging of :-		
* Custom penalty	-	(244)
* Depreciation	(192)	(127)
* Severance pay	(1)	(193)

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

	Group		Company	
	30 June 2016 S\$'000	30 June 2015 S\$'000	30 June 2016 S\$'000	30 June 2015 S\$'000
<u>Non-Current Assets</u>				
Plant & equipment	399	530	254	364
Trade receivables	195	-	-	-
	594	530	254	364
<u>Current Assets</u>				
Inventories	109	487	-	-
Trade and other receivables	830	1,010	10	7
Prepayment	24	34	11	9
Other current assets	19	31	-	-
Fixed deposits	923	324	100	100
Cash and bank balances	1,182	1,502	210	280
	3,087	3,388	331	396
<u>Current Liabilities</u>				
Trade & other payables	808	963	60	58
Accrued expenses	361	793	80	199
Due to subsidiaries (non-trade), net	-	-	675	1,375
Due to related parties (non-trade)	187	197	-	3
Obligations under finance lease	54	64	39	38
Provision for taxation	42	47	-	-
	1,452	2,064	854	1,673
Net Current Assets / (Liabilities)	1,635	1,324	(523)	(1,277)
<u>Non-Current Liabilities</u>				
Other payables	36	-	-	-
Obligations under finance lease	128	174	121	160
Deferred tax liabilities	1	1	1	1
	165	175	122	161
Net Assets / (Liabilities)	2,064	1,679	(391)	(1,074)
<u>Represented by :</u>				
Share capital	42,862	42,862	42,862	42,862
Share option reserve	40	40	40	40
Other reserve	96	96	96	96
Foreign currency translation reserve	733	243	-	-
Accumulated losses	(40,599)	(40,562)	(43,389)	(44,072)
	3,132	2,679	(391)	(1,074)
Non-controlling interests	(1,068)	(1,000)	-	-
Total Equity / (Deficit)	2,064	1,679	(391)	(1,074)

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

Amount repayable in one year or less, or on demand :-

As at 30/6/2016		As at 30/6/2015	
S\$000		S\$000	
Secured	Unsecured	Secured	Unsecured
54	-	64	-

Amount repayable after one year :-

As at 30/6/2016		As at 30/6/2015	
S\$000		S\$000	
Secured	Unsecured	Secured	Unsecured
128	-	174	-

Total

182	-	238	-
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Details of any collateral:

- a) The Group's trade credit facilities and banker guarantees are secured by:
- (i) Corporate guarantee of S\$440,000 from the Company;
 - (ii) Fixed deposits of approximately S\$200,955;
 - (iii) Joint and several guarantee of S\$440,000 from the two major shareholders of the Company (one of whom is also a Director of the Company).
- b) The Group's lease obligations are secured by motor vehicles of its subsidiaries with net book value of approximately S\$254,500.

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

	Group	
	12 mths ended 30 June 2016	12 mths ended 30 June 2015
	S\$'000	S\$'000
Cash flows from operating activities		
(Loss)/Profit before tax	(214)	353
Adjustments for :		
Allowance for doubtful debts (trade)	10	132
Allowance for doubtful debts (non trade)	2	10
Allowance for inventories obsolescence	81	344
Write-back of allowance for doubtful debts	-	(6)
Write-back of allowance for inventories obsolescence	(326)	(12)
Depreciation of plant and equipment	192	127
Plant and equipment written off	1	1
Gain on disposal of plant and equipment	(24)	(214)
Impairment loss on plant and equipment	-	2
Waiver of payables	(117)	-
Write off of accrual	(188)	-
Interest expense	10	7
Interest income	(7)	(1)
Currency translation	585	(525)
Operating cash flows before changes in working capital	5	218
Decrease/(Increase) in stocks	610	(327)
(Increase)/Decrease in trade and other receivables	(31)	601
Decrease in prepayments	9	35
(Decrease)/Increase in amount due to related parties	(10)	498
Decrease in trade and other payables	(222)	(619)
Cash generated from operations	361	406
Interest paid	(10)	(7)
Interest income received	7	1
Income taxes paid	(6)	(43)
Net cash generated from operating activities	352	357
Cash flow from investing activities		
Proceeds from disposal of plant and equipment	23	374
Purchase of plant and equipment	(54)	(166)
Net cash (used in) / generated from investing activities	(31)	208
Cash flows from financing activities		
Repayment of finance lease obligations	(55)	(135)
Fixed deposits withdrawn/(placement)	22	(100)
Release of restricted cash	-	579
Net cash (used in) / generated from financing activities	(33)	344
Net increase in cash and cash equivalents	288	909
Effect of exchange rate changes in cash and cash equivalents	14	8
Cash and cash equivalents at beginning of year	1,602	685
Cash and cash equivalents at end of year	1,904	1,602
Fixed deposit pledged	201	224
Total fixed deposits, cash and bank balances	2,105	1,826

1(d)(i) A statement (for the issuer and group) 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.

Group \$'000	Total equity \$'000	Attributable to owners of the Company					Non-controlling Interests \$'000
		Equity attributable to owners of the Company, total \$'000	Accumulated Losses \$'000	Share Capital \$'000	Share Option Reserves \$'000	Translation and other reserves \$'000	
Balance as at 1 July 2015	1,679	2,679	(40,562)	42,862	40	339	(1,000)
Net loss for the year	(214)	(37)	(37)	-	-	-	(177)
Other comprehensive income							
Foreign currency translation differences for foreign operations	599	490	-	-	-	490	109
Other comprehensive income for the year, net of tax	599	490	-	-	-	490	109
Total comprehensive income / (loss) for the year	385	453	(37)	-	-	490	(68)
Balance as at 30 June 2016	2,064	3,132	(40,599)	42,862	40	829	(1,068)

Group \$'000	Total equity \$'000	Attributable to owners of the Company					Non-controlling Interests \$'000
		Equity attributable to owners of the Company, total \$'000	Accumulated Losses \$'000	Share Capital \$'000	Share Option Reserves \$'000	Translation and other reserves \$'000	
Balance as at 1 July 2014	1,913	2,487	(41,171)	42,862	40	756	(574)
Net profit / (loss) profit for the year	263	609	609	-	-	-	(346)
Other comprehensive loss							
Foreign currency translation differences for foreign operations	(497)	(417)	-	-	-	(417)	(80)
Other comprehensive loss for the year, net of tax	(497)	(417)	-	-	-	(417)	(80)
Total comprehensive (loss) / income for the year	(234)	192	609	-	-	(417)	(426)
Balance as at 30 June 2015	1,679	2,679	(40,562)	42,862	40	339	(1,000)

Company \$'000	Total (deficit)/equity \$'000	Share Capital \$'000	Share Option Reserves \$'000	Other reserves \$'000	Accumulated Losses \$'000
Balance as at 1 July 2015	(1,074)	42,862	40	96	(44,072)
Profit for the year, representing total comprehensive income for the year	683	-	-	-	683
Balance as at 30 June 2016	(391)	42,862	40	96	(43,389)

Company \$'000	Total (deficit)/equity \$'000	Share Capital \$'000	Share Option Reserves \$'000	Other reserves \$'000	Accumulated Losses \$'000
Balance as at 1 July 2014	(1,118)	42,862	40	96	(44,116)
Profit for the year, representing total comprehensive income for the year	44	-	-	-	44
Balance as at 30 June 2015	(1,074)	42,862	40	96	(44,072)

- 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 numbers of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as 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.**

	Company			
	30 June 2016		30 June 2015	
	No of shares (<i>'000</i>)	Share Capital (\$ <i>'000</i>)	No of shares (<i>'000</i>)	Share Capital (\$ <i>'000</i>)
Balance as at the beginning of the year	627,383	42,862	627,383	42,862
Balance as at the end of the year	627,383	42,862	627,383	42,862

As at 30 June 2016 and 30 June 2015, the Company had outstanding ESOS 2010 options which upon conversion would result in the issue of 2,000,000 new ordinary shares, respectively. Save for such options, there are no other outstanding convertible options issued by the Company convertible into shares as at 30 June 2016 or 30 June 2015.

The Company did not hold any treasury shares as at 30 June 2016 and 30 June 2015.

- 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.**

As at 30 June 2016 and 30 June 2015, the Company's issued and paid-up capital comprises 627,383,061 ordinary shares. There were no treasury shares held by the Company as at 30 June 2016.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standing**

The figures presented have not been audited or reviewed.

- 3 Whether the figures have been audited or reviewed, the auditors' report (including any qualification or emphasis of a matter).**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those in the audited financial statements as at 30 June 2015, except as disclosed in Note 5 below.

- 5 **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all new and revised Financial reporting Standards (“FRSs”) and interpretation of FRSs (“INT FRSs”) which are effective for the financial period beginning on or after 1 July 2015.

The adoption of the new/revised FRSs did not result in any substantial change to the Group’s accounting policies or any significant impact on the financial statements.

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	The Group	
	Year ended 30/06/2016 S\$ cent	Year ended 30/06/2015 S\$ cent
(a). Based on weighted average number of ordinary shares in issue ; and	(0.01)	0.10
(b). On a fully diluted basis	(0.01)	0.10

Notes:

- a) (Loss) / Profit per share is calculated based on the weighted average number of ordinary shares in issue during the year ended 30 June 2016 and 30 June 2015, respectively.

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the : -**

- a) current financial period reported on; and
b) immediately preceding financial year.

	30/06/2016 S\$ cents	30/06/2015 S\$ cents
Net asset value for the Group	0.33	0.27
Net liabilities value for the Company	(0.06)	(0.17)

Note: Net asset value for the Group excludes non-controlling interests

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

- a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable seasonal or cyclical factors); and
b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

INCOME STATEMENT

Revenue

Revenue decreased from S\$6.05 million for the financial year ended 30 June 2015 (“FY 2015”) to S\$4.70 million for the financial year ended 30 June 2016 (“FY 2016”). The decrease in revenue was mainly due to cessation of tray washing business and lower revenue generated in the NGV business by the Thailand subsidiaries.

Gross Profit Margin

The Group’s profit margin remained unchanged at the range of 34% - 35%.

Loss for the Year

The Group had a loss of S\$0.21 million for FY 2016 as compared to a profit of S\$0.26 million for FY 2015. The loss was mainly due to the following reasons:-

(a) **Decrease in Other Operating Income, net**

The Group had a net other operating income of S\$0.21 million for FY 2016 as compared to net other operating income of S\$0.98 million for FY 2015. This was mainly due to the unrealised exchange loss arising from recorded monetary balances denominated in foreign currencies in the current financial year. Details of other operating income is on Page 1 of the announcement.

BALANCE SHEET

Non-current assets

The Group’s non-current assets increased from S\$0.53 million as at 30 June 2015 to S\$0.59 million as at 30 June 2016. The increase was mainly due to trade receivables offset by depreciation of plant and equipment made during the year.

Current assets

The Group’s current assets decreased from S\$3.39 million as at 30 June 2015 to S\$3.09 million as at 30 June 2016. The decrease was mainly due to decrease in inventories and trade and other receivables offset by the increase in cash and cash equivalents.

Current liabilities

The Group’s current liabilities decreased from S\$2.06 million as at 30 June 2015 to S\$1.45 million as at 30 June 2016. The decrease was mainly due to lower accrued expenses.

Non-current liabilities

The Group’s non-current liabilities reduce from S\$0.18 million as at 30 June 2015 to S\$0.17 million as at 30 June 2016. The decrease was mainly due to repayment of obligations under finance lease.

CASH FLOW STATEMENT

The Group’s cash and cash equivalents as at 30 June 2016 increased by S\$0.30 million to S\$1.90 million as compared to the balance of S\$1.60 million as at 30 June 2015. The increase was mainly due to reduction of inventories held, offset by payment of trade and other payables.

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

Not applicable.

- 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.**

Management expects the operating business environment in the next 12 months to remain challenging, due to pricing pressure from customers and rising operational costs. However, the management remains focused to enhance its operational efficiency and monitor its operating expenses in the face of economy uncertainties, to enhance the profitability of the Group's existing businesses.

The Management remains cautious of unexpected economic upheavals in the global economy which may adversely affect the Company and will continue to focus on restructuring and consolidating its existing business, without any major capital expenditures.

- 11 **Dividend**

a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

b) Corresponding Period of the Immediately Preceding Financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

c) Date payable

Not applicable.

d) Books closure date

Not applicable.

e) Interim dividend declared and

Not applicable.

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

No dividend has been paid and declared by the Company for the year ended 30 June 2016.

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

The Company does not have a general mandate from the shareholders for the IPT.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	S\$'000	S\$'000
ACI Technology (S) Pte Ltd *	66	-
Ultraline Holdings (Thailand) Co., Ltd	42	-

* Approval of the shareholders not required as exempted under Rule 916 (1) of the Catalyst Rules.

- 14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

2016	Natural Gas Vehicle ("NGV") related business					Group Total
	Tray Recycling	Trading	Others	Elimination		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
- Sales to external customers	-	1,674	3,029	-	-	4,703
- Inter-segment sales	-	-	-	1,050	(1,050)	-
Total revenue	-	1,674	3,029	1,050	(1,050)	4,703
Segment results	(80)	94	(151)	705	(776)	(208)
Finance expenses						(13)
Finance income						7
Loss before tax						(214)
Tax expense						-
Loss for the year						(214)
Segment assets	470	6,163	3,161	4,000	(10,113)	3,681
Segment liabilities	(9,113)	(6,729)	(14,361)	(4,543)	33,129	(1,617)
Capital expenditure						-
Depreciation	10	30	18	134		192

2015	Natural Gas Vehicle ("NGV") related business					Group Total
	Tray Recycling	Trading	Others	Elimination		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
- Sales to external customers	302	1,782	3,963	-	-	6,047
- Inter-segment sales	-	-	-	596	(596)	-
Total revenue	302	1,782	3,963	596	(596)	6,047
Segment results	(156)	132	(497)	46	846	371
Finance expenses						(19)
Finance income						1
Profit before tax						353
Tax expense						(90)
Profit for the year						263
Segment assets	656	5,434	3,162	2,557	(7,891)	3,918
Segment liabilities	(9,558)	(6,092)	(14,470)	(3,803)	31,684	(2,239)
Capital expenditure	53	1	40	360		454
Depreciation	35	18	31	46	(3)	127

- 15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Note 8.

16 **A breakdown of sales.**

	Group		%
	30/06/2016 S\$'000	30/06/2015 S\$'000	Increase / (Decrease)
Sales reported for 1st half year	2,541	3,641	-30%
Profit after tax and before NCI reported for 1st half year	58	379	-85%
Sales reported for 2nd half year	2,162	2,406	-10%
Loss after tax and before NCI reported for 2nd half year	(272)	(116)	134%

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

	Latest Full Year (30 June 2016)	Previous Full Year (30 June 2015)
Ordinary	NIL	NIL
Preference	NIL	NIL
Total:	NIL	NIL

18 **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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704 (10) of the Listing Manual, Section B: Rules of Catalyst, we confirm that the persons occupying managerial positions who are relatives of a director or chief executive officer or substantial shareholder of the Company are as follows:

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Kee Liew @ Victor Lim	58	Spouse of Leong Lai Heng	Executive Director since February 1997; Group Managing Director since December 1999; CEO since August 2003; and Executive Chairman since October 2012	No change.
Leong Lai Heng	58	Spouse of Lim Kee Liew @ Victor Lim	Substantial Shareholder since August 1999 and a director of the subsidiaries	No change.

19 Confirmation Pursuant to Rule 720(1)

The Company has procured undertakings from all the Directors and Executive Officers (in the format set out in Appendix 7H) under Rule 720(1).

BY ORDER OF THE BOARD

Lim Kee Liew @ Victor Lim

Executive Chairman, Chief Executive Officer and Group Managing Director

23 August 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), RHT Capital Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

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

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