

**UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2018 AND DIVIDEND ANNOUNCEMENT**
**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**
**1(a) An income statement and statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group					
	3 months ended			Full year ended		
	31-Dec-18	31-Dec-17	%	31-Dec-18	31-Dec-17	%
S\$'000	S\$'000		S\$'000	S\$'000		
	(restated)*			(restated)*		
<b>Continuing Operations</b>						
<b>Revenue</b>	19,305	16,666	15.8	63,400	66,701	(4.9)
Cost of sales	(15,189)	(12,295)	23.5	(48,988)	(48,671)	0.7
<b>Gross profit</b>	<u>4,116</u>	<u>4,371</u>	(5.8)	<u>14,412</u>	<u>18,030</u>	(20.1)
<b>Other income</b>	(901)	207	(535.3)	765	966	(20.8)
<b>Other expense</b>						
Marketing and distribution	(312)	(627)	(50.2)	(1,632)	(2,938)	(44.5)
Research and development	(867)	(1,176)	(26.3)	(4,003)	(4,703)	(14.9)
Administrative expenses	(5,464)	(5,352)	2.1	(24,267)	(20,061)	21.0
Other expenses, net	(578)	(10,444)	(94.5)	36,204	(9,176)	(494.6)
Finance costs, net	(77)	(108)	(28.7)	(429)	(664)	(35.4)
	<u>(7,298)</u>	<u>(17,707)</u>	(58.8)	<u>5,873</u>	<u>(37,542)</u>	(115.6)
Share of results of associates, net of tax	(477)	(1,046)	(54.4)	(2,109)	(1,049)	101.0
<b>(Loss)/profit before tax from continuing operations</b>	<u>(4,560)</u>	<u>(14,175)</u>	(67.8)	<u>18,941</u>	<u>(19,595)</u>	(196.7)
Income tax expense	(467)	(288)	62.2	(1,430)	(1,269)	12.7
<b>(Loss)/profit after tax from continuing operations</b>	<u>(5,027)</u>	<u>(14,463)</u>	(65.2)	<u>17,511</u>	<u>(20,864)</u>	(183.9)
<b>Discontinued Operations</b>						
Profit after tax from discontinued operations	-	2,343	NM	8,123	6,261	29.7
<b>(Loss)/profit for the period</b>	<u>(5,027)</u>	<u>(12,120)</u>	(58.5)	<u>25,634</u>	<u>(14,603)</u>	(275.5)
<b>Attributable to :</b>						
Owners of the Company						
- Continuing operations	(3,227)	(8,668)	(62.8)	21,985	(10,658)	(306.3)
- Discontinued operations	-	2,343	NM	8,123	6,261	29.7
	<u>(3,227)</u>	<u>(6,325)</u>	(49.0)	<u>30,108</u>	<u>(4,397)</u>	(784.7)
Non-controlling interests						
- Continuing operations	(1,800)	(5,795)	(68.9)	(4,474)	(10,206)	(56.2)
- Discontinued operations	-	-	NM	-	-	NM
	<u>(1,800)</u>	<u>(5,795)</u>	(68.9)	<u>(4,474)</u>	<u>(10,206)</u>	(56.2)
<b>Total</b>	<u>(5,027)</u>	<u>(12,120)</u>	(58.5)	<u>25,634</u>	<u>(14,603)</u>	(275.5)

NM – Not meaningful

\* Following the completion of Advanced Systems Automation (“ASA”) Group’s rights issue on 14 June 2017, ASTI is no longer a controlling shareholder of ASA Group. Henceforth, ASTI Group’s restated financial results in 4Q2017 and full year 2017 taking into account the disposal of ASA Group.

## Statement of Comprehensive Income for the Group for the Fourth Quarter and Full Year Ended 31 December 2018

	Group			
	3 months ended		Full year ended	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
	S\$'000	S\$'000	S\$'000	S\$'000
	(restated)*		(restated)*	
<b>(Loss)/profit for the period</b>	(5,027)	(12,120)	25,634	(14,603)
<b>Other comprehensive income items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation	(194)	65	(242)	181
Fair value changes on available-for-sale assets	1	-	(2)	5
Exchange differences realised on disposal of subsidiaries recycled to profit and loss	-	(38)	-	(38)
Share of other comprehensive loss of associates	-	(12)	-	(12)
Other comprehensive (loss)/income for the period, net of tax of nil	(193)	15	(244)	136
<b>Total comprehensive (loss)/income for the period</b>	<b>(5,220)</b>	<b>(12,105)</b>	<b>25,390</b>	<b>(14,467)</b>
<b>Attributable to :</b>				
Owners of the Company				
- Continuing operations	(3,357)	(8,674)	21,592	(10,360)
- Discontinued operations	-	2,363	8,123	6,261
	(3,357)	(6,311)	29,715	(4,099)
Non-controlling interests				
- Continuing operations	(1,863)	(5,794)	(4,325)	(10,368)
- Discontinued operations	-	-	-	-
	(1,863)	(5,794)	(4,325)	(10,368)
<b>Total comprehensive (loss)/income for the period</b>	<b>(5,220)</b>	<b>(12,105)</b>	<b>25,390</b>	<b>(14,467)</b>

### Additional Information

#### Profit from operation is determined after (charging)/crediting:

	Group					
	3 months ended			Full year ended		
	31-Dec-18	31-Dec-17	%	31-Dec-18	31-Dec-17	%
	S\$'000	S\$'000		S\$'000	S\$'000	
	(restated)		(restated)			
<b>Continued Operations</b>						
Interest income	112	58	93	305	151	102
Interest expense	(136)	(122)	11	(559)	(646)	(13)
Depreciation of property, plant and equipment	(1,846)	(950)	94	(6,341)	(4,727)	34
Depreciation of investment properties	(4)	(4)	-	(17)	(17)	-
Write-back of allowance for trade receivables	-	1	NM	-	21	NM
(Allowance for)/write-back of stock obsolescence, net	(563)	61	NM	(581)	(69)	742
Impairment loss on investment securities	2	-	NM	(22)	-	NM
Impairment loss on property, plant and equipment	-	(3,635)	NM	-	(3,635)	NM
Impairment loss on club membership	-	-	NM	-	(8)	NM
Property, plant and equipment written off	-	(43)	NM	(7)	(43)	(84)
Gain/(loss) on disposal of property, plant and equipment	(169)	(41)	312	14	139	(90)
Gain on disposal of club membership	-	-	NM	-	73	NM
Gain on deemed disposal of associate	1,636	-	NM	1,636	-	NM
(Loss)/gain on disposal of subsidiaries	(2,000)	-	NM	34,530	2,945	NM
Foreign currency exchange gain/(loss)	186	(586)	(132)	287	(2,508)	(111)
<b>Discontinued Operations</b>						
Interest income	-	-	NM	1	1	-
Interest expense	-	(143)	NM	(597)	(451)	32
Depreciation of property, plant and equipment	-	(131)	NM	(275)	(569)	(52)
Gain on disposal of property, plant and equipment	-	58	NM	-	58	NM
Write-back of/(allowance for) trade receivables	-	5	NM	53	(69)	(177)
Write-back of/(allowance for) stock obsolescence, net	-	273	NM	(35)	(173)	(80)

NM – Not meaningful

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

	Group		Company	
	31-Dec-18 S\$'000	31-Dec-17 S\$'000	31-Dec-18 S\$'000	31-Dec-17 S\$'000
		(restated) <sup>(1)</sup>		
<b>Non-Current Assets</b>				
Intangible assets	6,410	4,170	-	-
Property, plant and equipment	27,312	20,582	244	79
Investment properties	303	338	-	-
Subsidiaries	-	-	7,910	17,532
Associates	4,357	4,807	5,801	5,801
Investment securities	-	24	-	-
Other receivables	4,915	403	4,500	-
Deferred tax assets	-	103	-	-
	<b>43,297</b>	<b>30,427</b>	<b>18,455</b>	<b>23,412</b>
<b>Current Assets</b>				
Cash and cash equivalents	23,261	29,616	10,595	1,485
Trade receivables	13,804	31,203	-	-
Other receivables	22,720	2,436	13,587	-
Prepayment and advances	781	1,112	26	92
Due from subsidiaries	-	-	9,940	8,184
Due from associates	2,417	14	2,389	-
Inventories	3,064	24,068	-	-
	<b>66,047</b>	<b>88,449</b>	<b>36,537</b>	<b>9,761</b>
<b>Current Liabilities</b>				
Trade payables and accruals	27,487	26,164	11,472	1,815
Other payables	10,130	8,339	468	234
Due to subsidiaries	-	-	7,146	315
Due to associates	-	535	-	-
Provisions	-	409	-	-
Lease creditors	656	506	-	-
Interest-bearing loans and borrowings	2,804	25,161	-	5,000
Tax payable	831	1,020	170	120
	<b>41,908</b>	<b>62,134</b>	<b>19,256</b>	<b>7,484</b>
<b>Net Current Assets</b>	<b>24,139</b>	<b>26,315</b>	<b>17,281</b>	<b>2,277</b>
<b>Non-Current Liabilities</b>				
Long term payables	2,571	2,575	-	-
Due to subsidiaries	-	-	-	44,718
Lease creditors	1,846	1,325	-	-
Interest-bearing loans and borrowings	-	2,061	-	-
Deferred tax liabilities	108	165	-	-
	<b>4,525</b>	<b>6,126</b>	<b>-</b>	<b>44,718</b>
<b>Net Assets/(Liabilities)</b>	<b>62,911</b>	<b>50,616</b>	<b>35,736</b>	<b>(19,029)</b>
<b>Equity attributable to owners of the Company</b>				
Share capital	132,617	132,617	132,617	132,617
Treasury shares	(4,772)	(4,772)	(4,772)	(4,772)
Foreign currency translation reserve	(95)	296	-	-
Capital reserves	(8,345)	(8,091)	(2,960)	(2,960)
Fair value reserve	-	2	-	-
Accumulated losses	(44,470)	(61,483)	(89,149)	(143,914)
	<b>74,935</b>	<b>58,569</b>	<b>35,736</b>	<b>(19,029)</b>
Non-controlling interests	(12,024)	(7,953)	-	-
<b>Total Equity</b>	<b>62,911</b>	<b>50,616</b>	<b>35,736</b>	<b>(19,029)</b>

**Notes:**

<sup>(1)</sup> Balance sheet has been restated to effect the adoption of SFRS(I). Refer to note 4 and 5.

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

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

(S\$'000)

As at 31 Dec 18		As at 31 Dec 17	
Secured	Unsecured	Secured	Unsecured
656	2,804	506	25,161

**Amount repayable after one year**

(S\$'000)

As at 31 Dec 18		As at 31 Dec 17	
Secured	Unsecured	Secured	Unsecured
1,846	-	1,325	2,061

**Details of any collateral**

On 31 December 2018, finance leases with an aggregate amount of \$2,502,000 (31 December 2017: \$1,831,000) are secured on certain plant and machinery of the subsidiaries.

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.**

	Group	
	Full year ended	
	31-Dec-18	31-Dec-17
	S\$'000	S\$'000
<b>Cash flows from operating activities</b>		
Profit/(loss) before taxation from Continuing Operations	18,941	(19,595)
Profit before taxation from Discontinued Operations	8,836	6,379
Adjustments for:		
Non cash items	(26,198)	16,302
<b>Operating cash flows before changes in working capital</b>	<b>1,579</b>	<b>3,086</b>
<u>Changes in working capital</u>		
(Increase)/decrease in :		
Inventories	(4,144)	(4,412)
Receivables	(17,355)	(4,179)
Due from associates	(527)	(170)
Increase/(decrease) in :		
Provision	(1)	(277)
Payables	(1,304)	8,497
	<b>(21,752)</b>	<b>2,545</b>
Income tax paid	(1,578)	(1,304)
Interest received	314	152
Interest paid	(559)	(1,012)
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(23,575)</b>	<b>381</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(12,533)	(7,330)
Proceeds from disposal of property, plant and equipment	77	271
Proceeds from club membership	-	141
Extension of club membership	-	(19)
Expenditure on development project	-	(249)
Expenditure on research and development project	(2,150)	(2,117)
Cash and cash equivalents divested on deconsolidation of subsidiaries	-	(6,920)
Net cash inflow on disposal of subsidiaries	52,673	-
<b>Net cash flows generated from/(used in) investing activities</b>	<b>38,067</b>	<b>(16,223)</b>
<b>Cash flow from financing activities</b>		
Loan to associates	(2,400)	(665)
Repayment of lease obligations	(661)	(605)
Advance for capital injection from non-controlling interest	168	407
Repayment of bank borrowings	(6,351)	(3,758)
Proceeds from loans and borrowings	1,878	4,713
Other borrowings, net	-	(559)
Proceeds from rights issue exercise of a subsidiary	-	7,517
Dividends paid on ordinary shares by the Company	(13,095)	-
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(20,461)</b>	<b>7,050</b>
<b>Net increase in cash and cash equivalents</b>	<b>(5,969)</b>	<b>(8,792)</b>
Effect of exchange rate changes on cash and cash equivalents	(386)	(766)
<b>Cash and cash equivalents at beginning of period</b>	<b>29,616</b>	<b>39,174</b>
<b>Cash and cash equivalents at end of period</b>	<b>23,261</b>	<b>29,616</b>

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of changes in equity for the period from 1 January 2018 to 31 December 2018 and 1 January 2017 to 31 December 2017**

<b>Group</b> (All figures in S\$'000)	Attributable to equity holders of the Company						Total	Non-controlling interests	Total equity	
	Share capital	Treasury shares	Accumulated losses (Distributable)	Capital reserve ----- (Non-distributable)	Fair value reserve	Foreign currency reserve				Total reserves
Balance at 1 January 2018, as previously reported	132,617	(4,772)	(59,589)	(8,091)	2	(1,598)	(69,276)	58,569	(7,953)	50,616
Effect of transition to SFRS(I)	-	-	(1,894)	-	-	1,894	-	-	-	-
Balance at 1 January 2018, as restated	132,617	(4,772)	(61,483)	(8,091)	2	296	(69,276)	58,569	(7,953)	50,616
Profit/(loss) for the year	-	-	30,108	-	-	-	30,108	30,108	(4,474)	25,634
Foreign currency translation	-	-	-	-	-	(391)	(391)	(391)	149	(242)
Fair value changes on available-for-sale assets	-	-	-	-	(2)	-	(2)	(2)	-	(2)
Other comprehensive (loss)/income net of tax of nil	-	-	-	-	(2)	(391)	(393)	(393)	149	(244)
<b>Total comprehensive income/(loss) for the year</b>	-	-	30,108	-	(2)	(391)	29,715	29,715	(4,325)	25,390
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares	-	-	(13,095)	-	-	-	(13,095)	(13,095)	-	(13,095)
Dilution of interests in subsidiary without change in control	-	-	-	(254)	-	-	(254)	(254)	254	-
<b>Total contributions by and distributions to owners</b>	-	-	(13,095)	(254)	-	-	(13,349)	(13,349)	254	(13,095)
<b>At 31 December 2018</b>	132,617	(4,772)	(44,470)	(8,345)	-	(95)	(52,910)	74,935	(12,024)	62,911
Balance at 1 January 2017, as previously reported	132,617	(4,772)	(55,192)	(7,936)	-	(1,894)	(65,022)	62,823	(555)	62,268
Effect of transition to SFRS(I)	-	-	(1,894)	-	-	1,894	-	-	-	-
Balance at 1 January 2017, as restated	132,617	(4,772)	(57,086)	(7,936)	-	-	(65,022)	62,823	(555)	62,268
Loss for the year	-	-	(4,397)	-	-	-	(4,397)	(4,397)	(10,206)	(14,603)
Foreign currency translation	-	-	-	-	-	346	346	346	(165)	181
Fair value changes on available-for-sale assets	-	-	-	-	2	-	2	2	3	5
Exchange differences realised on disposal of subsidiaries recycled to profit and loss	-	-	-	-	-	(38)	(38)	(38)	-	(38)
Share of other comprehensive loss of associates	-	-	-	-	-	(12)	(12)	(12)	-	(12)
Other comprehensive income/(loss) net of tax of nil	-	-	-	-	2	296	298	298	(162)	136
<b>Total comprehensive (loss)/income for the year</b>	-	-	(4,397)	-	2	296	(4,099)	(4,099)	(10,368)	(14,467)
<u>Contributions by and distributions to owners</u>										
Non-controlling interests' subscription of shares in a subsidiary pursuant to rights issue	-	-	-	-	-	-	-	-	7,517	7,517
Disposal of subsidiaries	-	-	-	(155)	-	-	(155)	(155)	(4,547)	(4,702)
<b>Total contributions by and distributions to owners</b>	-	-	-	(155)	-	-	(155)	(155)	2,970	2,815
<b>At 31 December 2017</b>	132,617	(4,772)	(61,483)	(8,091)	2	296	(69,276)	58,569	(7,953)	50,616

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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

**Statement of changes in equity for the period from 1 January 2018 to 31 December 2018 and 1 January 2017 to 31 December 2017**

<b>Company</b> (All figures in S\$'000)	<b>Share capital</b>	<b>Treasury shares</b>	<b>Capital reserve</b>	<b>Accumulated losses</b>	<b>Total reserves</b>	<b>Total equity</b>
At 1 January 2018	132,617	(4,772)	(2,960)	(143,914)	(146,874)	(19,029)
Profit for the year	-	-	-	54,765	54,765	54,765
<b>Total comprehensive income for the year</b>	-	-	-	54,765	54,765	54,765
<b>At 31 December 2018</b>	<b>132,617</b>	<b>(4,772)</b>	<b>(2,960)</b>	<b>(89,149)</b>	<b>(92,109)</b>	<b>35,736</b>
At 1 January 2017	132,617	(4,772)	(2,960)	(134,911)	(137,871)	(10,026)
Loss for the year	-	-	-	(9,003)	(9,003)	(9,003)
<b>Total comprehensive loss for the year</b>	-	-	-	(9,003)	(9,003)	(9,003)
<b>At 31 December 2017</b>	<b>132,617</b>	<b>(4,772)</b>	<b>(2,960)</b>	<b>(143,914)</b>	<b>(146,874)</b>	<b>(19,029)</b>

- 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 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.**

**Ordinary Shares (excluding Treasury Shares)**

	Number of Ordinary Shares	
	31-Dec-18	31-Dec-17
Balance as at 1 October and 31 December	654,731,486	654,731,486
Balance as at 1 January and 31 December	654,731,486	654,731,486

**Treasury Shares**

	Number of Treasury Shares	
	31-Dec-18	31-Dec-17
Balance as at 1 October and 31 December	27,234,855	27,234,855
Balance as at 1 January and 31 December	27,234,855	27,234,855

During the year ended 31 December 2018, there was no change to the issued share capital of the Company.

- 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.**

The number of issued shares as at 31 December 2018 is 654,731,486 (31 December 2017: 654,731,486).

- 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.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings 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 standard or practice.**

These 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 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 consolidated financial statements for the current reporting period compared with the audited financial statements as at 31 December 2017 except for the adoption of Singapore Financial Reporting Standards (International) (SFRS(I)) and new or revised SFRS(I) and INT SFRS(I) that are mandatory for financial years beginning on or after 1 January 2018. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group's consolidated financial statements, except as disclosed in item 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.**

In the current financial period, the Group and the Company adopted the new Financial Reporting Standards ("FRS") and Amendments to FRS that are effective for annual periods beginning on or after 1 January 2017.

The adoption of the new FRSs and Amendments to FRSs did not result in any substantial change to the Group and the Company's accounting policies or any material impact on the financial statements of the Group.

**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.**

	Group			
	3 months ended		Full year ended	
	31-Dec-18	31-Dec-17 (restated)*	31-Dec-18	31-Dec-17 (restated)*
<b><u>Continuing Operations</u></b>				
Earning per share (cents)				
Basic	(0.49)	(1.32)	3.36	(1.63)
Diluted	(0.49)	(1.32)	3.36	(1.63)
<b><u>Discontinued Operations</u></b>				
Earning per share (cents)				
Basic	-	0.36	1.24	0.96
Diluted	-	0.36	1.24	0.96
Weighted average number of shares				
Basic	654,731,486	654,731,486	654,731,486	654,731,486
Diluted	654,731,486	654,731,486	654,731,486	654,731,486

Earnings per share are calculated based on the net profit attributable to ordinary shareholders divided by the weighted average number of shares.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

	Group		Company	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
Net assets value per share (cents)	11.45	8.95	5.46	(2.91)
Based on number of shares	654,731,486	654,731,486	654,731,486	654,731,486

Net assets value per share is calculated based on the equity attributable to the equity holders of the parent excluding the non-controlling interests divided by the number of shares excluding treasury shares.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Consolidated Income Statement – fourth quarter ended 31 December 2018 (“4Q2018”) performance**

**Revenue**

	3 months ended 31-Dec-18		3 months ended 31-Dec-17		
	\$'000	%	\$'000	%	
Backend Equipment Solutions & Technologies (“BEST”)	18,284	94.7	15,939	95.6	14.7
Distribution & Services	1,021	5.3	727	4.4	40.4
	<u>19,305</u>	100	<u>16,666</u>	100	15.8

The Group recorded revenue of \$19.3 million in the 3 months ended 31 December 2018 (“4Q2018”), an increase of \$2.6 million from \$16.7 million recorded in the previous corresponding period ended 31 December 2017 (“4Q2017”).

**Loss before tax**

The Group recorded a loss before tax from continuing operation of \$4.6 million and \$14.2 million in 4Q2018 and 4Q2017 respectively.

Depreciation expense increased by \$0.9 million in 4Q2018 as compared to 4Q2017 due to additional depreciation expense from newly acquired plant and machinery in the Group.

Administrative expenses have a slight increase by \$0.1 million from \$5.4 million in 4Q2017 to \$5.5 million in 4Q2018.

Other expenses in Q42017 included \$4.8 million on allowance on amount due to associates and \$3.6 million on impairment of property, plant and equipment respectively.

The Group recorded lower finance cost by \$0.03 million in 4Q2018 as compared to 4Q2017. The decrease was due to loan repayment made during 4Q2018.

**Net Loss**

The Group reported a net loss after tax from continuing operations of \$5.0 million and \$14.5 million in 4Q2018 and 4Q2017 respectively.

**Consolidated Income Statement – financial year ended 31 December 2018 (“FY2018”) performance**

**Revenue**

	Full year ended 31-Dec-18		Full year ended 31-Dec-17		
	\$'000	%	\$'000	%	
Backend Equipment Solutions & Technologies (“BEST”)	60,405	95.3	64,026	96.0	(5.7)
Distribution & Services	2,995	4.7	2,675	4.0	12.0
	<u>63,400</u>	100	<u>66,701</u>	100	(4.9)

The Group recorded revenue of \$63.4 million for the financial year ended 31 December 2018 (“FY2018”), down by 4.9% or \$3.2 million from \$66.7 million in the previous financial year ended 31 December 2017 (“FY2017”).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)**

#### **Profit before tax**

The Group registered a profit before tax from continuing operations of \$18.9 million in FY2018 as compared to a loss before tax of \$19.6 million in FY2017. The increase was mainly due to the gain on disposal of STI Group which was completed on 26 September 2018 of \$34.5 million. Included in FY2017 was a gain on disposal of ASA Group of \$2.9 million.

Marketing and distribution expenses for FY2018 decreased by 44.5%; from \$2.9 million in FY2017 to \$1.6 million. The decrease was primarily due to the absence of 6 months results from ASA Group.

Other expense in FY2017 included foreign exchange loss of \$2.5 million, arising from the weakening of Singapore Dollar against United States Dollars.

The Group recorded lower finance cost by \$0.09 million in FY2018 as compared to FY2017 due to loan repayment made during the year.

#### **Net Profit**

Taking into consideration the above factors, the Group recorded a net profit after tax from continuing operations of \$17.5 million in FY2018 compared to a net loss after tax of \$20.9 million in FY2017.

### **Consolidation Statement of Financial Position as at 31 December 2018**

#### Non-current assets

Non-current assets comprised the increase in development expenditure incurred by the battery storage solutions and additional property, plant and equipment purchased by the Group. This increase was offset by the depreciation of PPE and investment properties, coupled with translation changes for non-current assets. This resulted in an overall increase of \$12.9 million from \$30.4 million in 31 December 2017 to \$43.3 million in 31 December 2018.

#### Current assets

The decrease in current assets of \$22.4 million or 25.3% from \$88.4 million as at 31 December 2017 to \$66.0 million as at 31 December 2018 was mainly due to the disposal of STI Group. The sale proceeds from the disposal were consequently used to repay bank borrowings and for other corporate purposes.

#### Current liabilities

The decrease in current liabilities of \$20.2 million or 32.6% from \$62.1 million as at 31 December 2017 to \$41.9 million as at 31 December 2018 was mainly due to:

- Increase in other payables of \$2.0 million mainly due to payables relating to additional PPE purchased.
- Decrease in loans and borrowings of \$22.4 million due to loan repayment and disposal of STI Group.

#### Non-current liabilities

The decrease in non-current liabilities of \$1.6 million from \$6.1 million as at 31 December 2017 to \$4.5 million as at 31 December 2018 was mainly due to loan repayment.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (Cont'd)**

**Consolidated Statement of Cash Flows Position as at 31 December 2018**

The Group utilized \$23.6 million for its operational working capital. An amount of \$2 million was used for the net payments of interests and taxes.

Net cash generated from investing activities amounted to \$38.1 million was mainly due to a net cash inflow on disposal of STI Group of \$52.7 million. However, this is mitigated by an amount of \$12.5 million used for purchase of property, plant and equipment and \$2.2 million on research and development projects. A loan of \$5 million was provided to an external party.

The Group has borrowed \$1.9 million but repaid \$6.4 million to financial institutions during the period. Loans of \$2.4 million were provided to an associate. Advances of \$5.0 million and \$0.2 million were received from an external party and a non-controlling interest for capital injection respectively.

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

ASTI remains cautious about its prospects for the next quarter. Our performance may be affected by the markets uncertainties arising from the looming trade disputes.

Please refer to ASTI's announcement on 1 November 2018, during which the ASTI's Board informed its shareholders that as DGI's controlling shareholder, it is currently working on a cash exit offer proposal to be issued to DGI's shareholders. ASTI's shareholders will be informed of developments in due course.

During the quarter review cycle, an ex-employee of a DGI subsidiary and his joint venture vehicle has written in to the Company to quantify their claims for the purpose of seeking a settlement for negotiations over certain disputes. We are not in a position to disclose more at this point due to the confidential and privilege nature of the communications. The Company is assessing the basis and merits of the claims made and will take appropriate action accordingly. The Company will make further announcements on the matter as necessary.

**11. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on? Yes**

The Directors are pleased to announce a proposed dividend, subject to shareholders' approval at the forthcoming Annual General Meeting for the financial year ended 31 December 2018 as follows:

Name of dividend	: Final (tax exempt one tier)
Type of dividend	: Cash
Dividend	: 0.5 cent per ordinary share
Tax rate	: One tier

**(b) Corresponding Period of the immediately preceding financial year**

**Any dividend declared for the corresponding period of the immediately preceding financial year? None**

**(c) Date payable**

To be advised.

**(d) Book closure date**

To be advised.

**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 IPTs, 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.**

No general mandate for IPTs has been obtained from shareholders.

**14. Negative confirmation pursuant to Rule 705(5).**

Not applicable.

**15. Confirmation of Undertakings from Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual.**

The Company hereby confirms that it has procured undertaking from all directors and executive officers under Rule 720(1).

**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

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

<u>Group</u>	Backend Equipment Solutions & Technologies ("BEST")		Distribution & Services		Adjustments & Elimination		Consolidated Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>								
Segmental Revenue								
- External Sales	60,405	64,026	2,995	2,675	-	-	63,400	66,701
- Inter-segment sales	764	1,609	-	-	(764)	(1,609)	-	-
	<b>61,169</b>	<b>65,635</b>	<b>2,995</b>	<b>2,675</b>	<b>(764)</b>	<b>(1,609)</b>	<b>63,400</b>	<b>66,701</b>
<b>Segment results</b>	<b>24,993</b>	<b>(7,959)</b>	<b>(6,718)</b>	<b>(11,296)</b>	<b>(764)</b>	<b>(1,609)</b>	<b>17,511</b>	<b>(20,864)</b>
Operating profit/(loss)	32,646	(1,836)	(6,054)	(10,911)	(764)	(1,609)	25,828	(14,356)
Interest income	559	161	28	42	(282)	(52)	305	151
Interest expense	(559)	(660)	(282)	(38)	282	52	(559)	(646)
Depreciation	(6,304)	(4,431)	(329)	(313)	-	-	(6,633)	(4,744)
Profit/(loss) before tax	26,342	(6,766)	(6,637)	(11,220)	(764)	(1,609)	18,941	(19,595)
Income tax expense	(1,349)	(1,193)	(81)	(76)	-	-	(1,430)	(1,269)
Profit/(loss) after tax	<b>24,993</b>	<b>(7,959)</b>	<b>(6,718)</b>	<b>(11,296)</b>	<b>(764)</b>	<b>(1,609)</b>	<b>17,511</b>	<b>(20,864)</b>
<b>Other information:</b>								
Other income	763	959	2	7	-	-	765	966
Share of results of associates, net of tax	(2,109)	(1,042)	-	(7)	-	-	(2,109)	(1,049)
Foreign currency exchange gain/(loss)	636	(2,931)	(349)	423	-	-	287	(2,508)

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

**Geographical segment revenues**

	2018	2017
	S\$'000	S\$'000
China	22,365	24,291
Singapore	1,400	3,048
Malaysia	2,660	5,971
Philippines	30,697	26,945
United Kingdom	6,102	6,284
Others	176	162

17. **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 item 16.

18. **A breakdown of sales.**

	Group		%
	31-Dec-18	31-Dec-17	
	S\$'000	S\$'000	
Revenue reported for first half year	28,206	33,787	-17%
Operating profit after tax before deducting minority interests reported in first half year	3,220	(4,344)	-174%
Revenue reported for second half year	35,194	32,914	7%
Operating profit after tax before deducting minority interests reported in second half year	22,414	(10,259)	-318%

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

	31-Dec-18	31-Dec-17
	S\$'000	S\$'000
Interim dividend declared and paid	13,095	-

20. **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.**

Name	Age	Family relationship with any director 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
Loh Choon Piew	58	Nephew of Executive Chairman, Dato' Loh Soon Gnee	<u>Microfits Pte Ltd</u> Vice President, Operations (since December 2014)  Duties: Oversees the business operations of Equipment Contract Manufacturing Services division of ASA Group	Nil
Dato' Loh Choon Khiang	56	Nephew of Executive Chairman, Dato' Loh Soon Gnee	<u>Microfits Pte Ltd</u> Vice President, Business Development (since December 2014)  Duties: In charge of business development of Equipment Contract Manufacturing Services division of ASA Group	Nil

**By Order of the Board**

Dato' Michael Loh Soon Gnee  
Executive Chairman / Chief Executive Officer  
31 March 2019