ASIAN AMERICAN MEDICAL GROUP LIMITED

and its controlled entities

ABN 42 091 559 125

APPENDIX 4E

PRELIMINARY FINAL REPORT FOR THE

YEAR ENDED 31 AUGUST 2016

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Appendix 4E

Asian American Medical Group Limited

ABN 42 091 559 125

Preliminary final report

Current reporting period: Year ended 31 August 2016
Previous corresponding period: Year ended 31 August 2015
All amounts are stated in Singapore Dollars unless stated otherwise.

The consolidated preliminary final report is presented in Singapore Dollars (SGD) as a significant portion of the group's activity is denominated in Singapore Dollars. The average and closing rate of exchange used at 31 August 2016 was 1.0138 S$ and 1.0280 S$ to 1A$ respectively (2015: 1.0599 and 1.0114).

Results for announcement to the market

				S$'000
Revenue from ordinary activities	Down	16.1%	to	17,083
Loss from ordinary activities after tax attributable to members	Down	-	to	(2,062)
Net loss for the year attributable to members	Down	-	to	(2,062)

Commentary on results

	FY2016	FY2015	Change
	S$'000	S$'000	%
Revenue	17,083	20,354	(16.1)
Other income	171	103	66.0
Direct costs and operating expenses	(19,465)	(19,394)	0.4
(Loss)/Profit from continuing operations	(2,211)	1,063	n.m
Taxation	150	(13)	n.m
(Loss)/Profit from continuing operations, net of tax	(2,061)	1,050	n.m
Loss from discontinued operations, net of tax	-	(491)	n.m
(Loss)/Profit after taxation	(2,061)	559	n.m
(Loss)/Profit attributable to:			
Members of the parent entity	(2,062)	598	n.m
Non-controlling interest	1	(39)	n.m
	(2,061)	559	n.m
(Loss)/Earnings per share for continuing operations (S cents)	(0.74)	0.49	n.m
(Loss)/Earnings per share for continuing and discontinued operations (S cents)	(0.74)	0.27	n.m

n.m – not meaningful

Financial Review

In the financial year under review, the Group faced greater challenges such as rising costs and greater regional competition for Singapore's healthcare providers. The Group made notable progress in diversifying its medical offerings and continuing its geographic expansion.

The Group recorded a decline of 3.7% in overall patient transactions from 8,206 in FY2015 to 7,906 in this financial year. The Group's total revenue declined 16.1% or S$3.3 million to S$17.1 million in FY2016 from S$20.4 million a year earlier. The Net Loss for the Group was S$2.1 million for FY2016, reversing a Net Profit of S$0.6 million in the previous year.

Liver segment

Patient transactions for the liver segment decreased by 5.5% from 8,185 in FY2015 to 7,733 in FY2016. Operating under the Group's wholly-owned subsidiary Asian American Liver Centre ("AALC"), the Group's liver treatment and transplantation segment remains the largest revenue contributor, with 91.6% (2015: 95.8%) of the Group's overall revenue. Turnover for AALC decreased 19.8% or S$3.9 million to S$15.6 million from S$19.5 million in the previous year.

The decrease in patient and surgical activities in the year led to lower third-party revenue, sales of medication and professional consultation fees. Compared to FY2015, third-party revenue, predominantly back-to-back billings from in-patient cases, decreased by 21.9% or S$1.2 million. Sales of medication and professional consultation fees decreased by 28.1% and 31.3% respectively. There was a decline in the number of liver dialysis of 65.0% as there were less acute liver failure patients who required liver dialysis before their transplant during the year. This resulted in a drop of S$1.0 million in dialysis revenue. In this financial year, AALC performed 13 successful living donor liver transplantations ("LDLT"), which is two more cases than the previous year.

Direct costs decreased 15.9%, or S$1.8 million, from S$11.5 million in FY2015 to S$9.7 million in FY2016 in line with the decrease in revenue. Gross profit margin consequently fell to 38.4% from 42.3% the previous year. Other operating expenses which were predominantly non-variable, decreased marginally by S$0.2 million. As a result, the liver segment recorded a Net Loss After Tax ("Net Loss") of S$0.9 million for FY2016 after recording a deferred tax benefit of S$150,000, reversing a Net Profit After Tax ("Net Profit") of S$1.3 million in the previous year.

Radiation Oncology segment

Operating under the Group's subsidiary Asian American Radiation Oncology ("AARO"), the radiation oncology segment recorded its first full year revenue of S$1.1 million, up from S$42,000 in the five months of FY2015. 80.9% of the total AARO revenue is generated from the provision of clinical services to its patients with the remaining revenue from overseas project management and consultancy services rendered. The number of patient transactions for the year under review was 173 compared to 21 in the previous year when it received its clinic licence in July 2015.

Direct and other operating expenses was S$1.1 million, with S$0.7 million being direct cost of sales and S$0.3 million being personnel related expenses. As a result, AARO managed to breakeven with a Net Profit of S$4,000 on its first full year of operations.

Management and Consultancy segment

After careful deliberation and with the advice from the Board of directors, AAMG decided to terminate the conditional agreement to acquire 60% of Rich Tree Land ("RTL"), the company developing a medical centre in Zhuhai, China. The project lead management contract was terminated concurrently.

As a result of the discontinuation of the Zhuhai project, AAMG's Management and Consultancy segment saw a decrease in activities in the last quarter of FY2016, resulting in a 54.1% decrease in revenue from S$0.8 million in FY2015 to S$0.4 million this year.

Total direct and other operating expenses increased by S$0.5 million to S$1.1 million in FY2016 from S$0.6 million in FY2015. This is after making a prudent provision for doubtful debts of S$0.2 million relating to a disputed receivable amount from RTL and professional fees for work relating to the Zhuhai project of S$0.1 million. The Group will continue to invest in strengthening the capabilities of this segment, in anticipation of more overseas project in the near future. The Net Loss for this segment was S$0.7 million in the current year compared to a Net Profit of S$0.3 million in FY2015.

Review of Financial Position

Net assets for the Group increased by S$3.6 million to S$12.1 million, due mainly to the net proceeds from the issue of 57,000,000 new placement shares to a group of sophisticated investors during the year, off-set by the Net Loss for the year of S$2.1 million.

As a result, Net Asset Value per share increased by S 0.5 cents to S 4.1 cents from S 3.6 cents last year.

Significant changes during the year under review were:

a) Increase in cash and cash equivalents by S$5.1 million to S$11.3 million due mainly to the net proceeds from the placement of new shares during the year;
b) Lower trade and other receivables, which decreased by S$3.7 million to S$4.6 million as a result of lower revenues and improved collection for patients from the United Arab Emirates ("UAE") which are on credit terms ranging between 60-120 days. In addition, there was a S$0.2 million provision for doubtful debts made in relation to the amount owing by RTL;
c) Trade and other payables decreased correspondingly by S$2.2 million to S$4.5 million, due mainly to lower purchases of materials and consumables in line with lower revenue; and
d) Increase in the share capital as a result of the net proceeds received from the issue of 57,000,000 new placement shares and 1,299,000 issued from the exercise of employee share options.

Dividends per share

	Amount per share	Franked amount per share at 30% tax	Amount per share of foreign sourced dividend	Amount A$'000
Current period				
NIL	-	-	-	-
Previous corresponding period				
NIL	-	-	-	-

Net tangible assets and net asset value per share

	31-Aug-16	31-Aug-15
Net tangible assets per ordinary share - (S cents)	**3.98**	**3.43**
- (A cents)	**3.87**	**3.40**
Net assets value per ordinary share - (S cents)	**4.07**	**3.55**
- (A cents)	**3.96**	**3.51**

*closing exchange rate used was 1.03 S$ to 1A$ (2015: 1.01 S$ to 1A$)

Details of entities over which control has been gained or lost

Million Health Ventures Pte. Ltd., a wholly-owned subsidiary of Asian American Medical Group Inc. was incorporated in 29 July 2016.

Compliance statement

This preliminary final report is based on accounts which are in the process of being audited.

Asian American Medical Group Limited

Corporate Directory

Directors
Dato' Dr Kai Chah Tan (Executive Chairman)
Mr Kong Meng Ang (Non-Executive Director)
Mr Evgeny Tugolukov (Non-Executive Director)
Mr Heng Boo Fong (Independent Non-Executive Director)
Mr Paul Vui Yung Lee (Independent Non-Executive Director)
Ms Jeslyn Jacques Wee Kian Leong (Independent Non-Executive Director)

Company Secretary
Dario Nazzari

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Website: www.aamg.co

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Wayville SA 5034
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Bankers
DBS Bank Ltd
12 Marina Boulevard
DBS Asia Central, Marina Bay Financial Centre Tower 3
Singapore 018982

Westpac Banking Corporation
114 William Street
Melbourne VIC 3000

Share registry
Computershare Investor Services Pty Ltd
Level 5, 115 Grenfell Street
Adelaide SA 5000
Tel: +61 8 8236 2300
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Stock Exchange Listing
The Company's shares are quoted on the Official List of Australian Securities Exchange Limited.
ASX Code : AJJ

PRELIMINARY FINAL REPORT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Consolidated Group Year ended 31.8.2016 S$	Consolidated Group Year ended 31.8.2015 S$
Revenue from continuing operations	3	17,082,845	20,354,104
Other operating income	3	170,992	103,275
Changes in inventories		27,061	(67,319)
Raw materials and consumables used		(10,647,270)	(11,470,780)
Employee benefits expense		(6,268,352)	(6,036,903)
Depreciation		(75,301)	(98,566)
Directors' fees		(190,315)	(103,488)
Provision for doubtful debts	12	(224,087)	-
Operating lease expense		(492,391)	(469,556)
Finance expense	4	-	(396)
Other expenses		(1,594,305)	(1,147,362)
(Loss)/profit before income tax from continuing operations		**(2,211,123)**	**1,063,009**
Income tax benefit/(expense)	6	150,000	(13,159)
(Loss)/profit from continuing operations, net of tax		**(2,061,123)**	**1,049,850**
Loss for the year from discontinued operations, net of tax	8	-	(491,140)
(Loss)/profit for the year	5	**(2,061,123)**	**558,710**
Other comprehensive income/(loss)			
Items that may be reclassified to Profit or Loss:			
Net effect of foreign currency translation		220,956	(701,519)
Total comprehensive loss for the year		**(1,840,167)**	**(142,809)**
(Loss)/profit attributable to:			
Members of the parent entity		(2,062,338)	598,064
Non-controlling interest		1,215	(39,354)
		(2,061,123)	**558,710**
Total comprehensive (loss)/income attributable to:			
Members of the parent entity		(1,841,382)	(103,455)
Non-controlling interest		1,215	(39,354)
		(1,840,167)	**(142,809)**

The accompanying notes form part of this financial report.

PRELIMINARY FINAL REPORT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2016

		Consolidated Group	
	Note	Year ended 31.8.2016	Year ended 31.8.2015
		S$	S$
Earnings per share			
Basic (loss)/earnings per share:			
- Continuing operations	10	**(0.74)**	**0.49**
- Discontinued operations	10	**-**	**(0.22)**
Total		**(0.74)**	**0.27**
Diluted (loss)/earnings per share:			
- Continuing operations	10	**(0.74)**	**0.49**
- Discontinued operations	10	**-**	**(0.22)**
Total		**(0.74)**	**0.27**

The accompanying notes form part of this financial report.

Asian American Medical Group Limited
And Controlled Entities
ABN 42 091 559 125

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2016

	Note	Consolidated Group	
		31.8.2016	31.8.2015
		S$	S$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	11	11,307,905	6,249,366
Trade and other receivables	12	4,598,694	8,316,632
Inventories	13	190,728	163,668
Income tax refundable	17	8,334	-
TOTAL CURRENT ASSETS		16,105,661	14,729,666
NON-CURRENT ASSETS			
Plant and equipment	14	118,636	189,787
Intangible assets	15	266,123	266,123
Deferred tax asset		150,000	-
TOTAL NON-CURRENT ASSETS		534,759	455,910
TOTAL ASSETS		16,640,420	15,185,576
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	16	4,529,700	6,695,978
Current tax liability	17	-	13,159
TOTAL CURRENT LIABILITIES		4,529,700	6,709,137
TOTAL LIABILITIES		4,529,700	6,709,137
NET ASSETS		**12,110,720**	**8,476,439**
EQUITY			
Equity attributable to members of the parent entity:			
Issued capital	18	12,932,538	7,458,090
Reserves	19	(374,557)	(523,334)
(Accumulated losses)/Retained earnings		(559,122)	1,431,037
		11,998,859	**8,365,793**
Non-controlling interest		111,861	110,646
TOTAL EQUITY		**12,110,720**	**8,476,439**

The accompanying notes form part of this financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital	(Accumulated losses)/ Retained earnings	Foreign currency translation reserve	Employee share option reserve	Non-controlling interest	Total
	S$	S$	S$	S$	S$	S$
Balance at 1.9.2014	4,267,495	832,973	106,006	72,179	-	5,278,653
Total comprehensive income:						
Profit/(loss) for the year	-	598,064	-	-	(39,354)	558,710
Other comprehensive loss	-	-	(701,519)	-	-	(701,519)
	-	598,064	(701,519)	-	(39,354)	(142,809)
Transactions with owners in their capacity as owners:						
Issue of share capital (net of share cost)	3,190,595	-	-	-	-	3,190,595
Issue of shares in subsidiary to non-controlling interest	-	-	-	-	150,000	150,000
	3,190,595	-	-	-	150,000	3,340,595
Balance at 31.8.2015	7,458,090	1,431,037	(595,513)	72,179	110,646	8,476,439
Balance at 1.9.2015	7,458,090	1,431,037	(595,513)	72,179	110,646	8,476,439
Total comprehensive income:						
(Loss)/profit for the year	-	(2,062,338)	-	-	1,215	(2,061,123)
Other comprehensive income	-	-	220,956	-	-	220,956
	-	(2,062,338)	220,956	-	1,215	(1,840,167)
Transactions with owners in their capacity as owners:						
Exercise of employee share option	115,340	72,179	-	(72,179)	-	115,340
Issue of share capital (net of share cost)	5,359,108	-	-	-	-	5,359,108
	5,474,448	72,179	-	(72,179)	-	5,474,448
Balance at 31.8.2016	12,932,538	(559,122)	(374,557)	-	111,861	12,110,720

The accompanying notes form part of this financial report.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2016

		Consolidated Group	
	Note	Year ended 31.8.2016 S$	Year ended 31.8.2015 S$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		20,534,206	13,706,595
Payments to suppliers and employees		(21,082,572)	(14,888,646)
Income tax (paid)/refunded		(21,493)	17,000
Net cash used in continuing operations		(569,859)	(1,165,051)
Net cash used in discontinued operations	8	-	(717,394)
Net cash used in by operating activities	23	(569,859)	(1,882,445)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income		79,019	77,476
Purchase of plant and equipment		(4,150)	(61,282)
Net cash from continuing operations		74,869	16,194
Net cash from discontinued operations	8	-	16,859
Net cash from investing activities		74,869	33,053
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares to non-controlling interest		-	150,000
Fixed deposits released		121,886	1,515,811
Finance cost	4	-	(396)
Proceeds from issue of new shares	18	5,838,220	3,203,261
Share issue expenses	18	(363,772)	(12,666)
Repayment of finance lease liabilities		-	(29,580)
Net cash generated from financing activities		5,596,334	4,826,430
Net change in cash and cash equivalents		5,101,344	2,977,038
Cash and cash equivalents at beginning of the year		6,127,480	3,418,105
Exchange difference on cash and cash equivalents		79,081	(267,663)
Cash and cash equivalents at end of the year	11	11,307,905	6,127,480

The accompanying notes form part of this financial report.

1 Nature of operations and general information

Asian American Medical Group Limited ("AAMG" or "Company") is the Group's Ultimate Parent Company and is a Public Company incorporated and domiciled in Australia. The address of its registered office is at 25 Peel Street, Adelaide SA 5000 and its principal place of business is at 6A Napier Road, Gleneagles Hospital Annexe Block, #02-37 Singapore 258500. The consolidated financial report of the Company as at and for year ended 31 August 2016 comprises the Company and its subsidiaries. The principal activity of AAMG is that of provision of specialised medical services for liver diseases and transplantation, radiation oncology and healthcare management and consultancy services. AAMG is a for-profit entity for the purpose of preparing financial statements.

2 Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of Asian American Medical Group Limited and controlled entities ("Consolidated Group" or "Group").

(a) Basis of preparation

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporation Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB"). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The consolidated preliminary final report is presented in Singapore Dollars (SGD or S$) as a significant portion of the group's activity is denominated in Singapore Dollars.

(b) Principles of consolidation

The Group financial statements consolidate those of the Parent company and all of its subsidiaries as of 31 August 2016. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 31 August.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intragroup asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(c) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill (refer Note 2(j)) or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the entity interest issued by the acquirer.

Reverse acquisition, where the cost of the business combination is deemed to have been incurred by the legal subsidiary (ie. the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent (i.e. the acquiree for accounting purposes), are accounted for under AASB 3: Business Combinations. The method calculates the fair value of the instruments issued by the legal parent on the basis of existing instruments of the legal subsidiary.

All transaction costs incurred in relation to the business combination are expensed to the profit or loss.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

(d) Income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates that have been enacted, or substantially enacted, as at reporting date.

Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group’s forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories includes direct costs associated with the purchase of inventory including transportation costs.

(f) Plant & equipment

Each class of plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation

The depreciation of all fixed assets is depreciated on a straight line basis over the asset's useful life to the Consolidated Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	*Depreciation Rate*
Office equipment	5 years
Medical equipment	5 years
Computers	5 years
Furniture and fittings	5 years
Renovations	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses arising on the disposal of property and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits held with banks, other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values.

(h) Financial instruments

Recognition, Initial Measurement and Derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires

Classification and Subsequent Measurement of Financial Assets

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Where available, quoted prices in an active market are used to determine fair value.

The Group does not designate any interest in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(ii) Held-to-maturity investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Group has the intention and ability to hold them until maturity. The Group currently holds listed bonds designated into this category.

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

(iii) Available for sale financial assets

Available for sale financial assets are non-derivative assets that are either not suitable to be classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available for sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss.

Impairment testing is performed annually for goodwill.

(j) Intangibles

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;
(ii) any non-controlling interest; and
(iii) the acquisition date fair value of any previously held equity interests

over the acquisition date fair value of net identifiable assets acquired. Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash generating units or groups of cash generating units, which represent the lowest level at which goodwill is monitored by where such level is not larger than an operating segment.

(k) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Group during the reporting period which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of initial recognition.

(l) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO") or Inland Revenue Authority of Singapore ("IRAS"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated in the statement of financial position inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO or IRAS is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO or IRAS are classified as operating cash flows.

(m) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(n) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

The economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is then recognised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the lease payments plus incidental payments, if any. A corresponding amount is recognised as a finance leasing liability, irrespective of whether some of these lease payments are payable up-front at the date of inception of the lease. Leases of land and buildings are classified separately and are split into a land and a building element, in accordance with the relative fair values of the leasehold interests at the date the asset is recognised initially.

Depreciation methods and useful lives for assets held under finance lease agreements correspond to those applied to comparable assets which are legally owned by the Group. The corresponding finance leasing liability is reduced by lease payments less finance charges, which are expensed as part of finance costs.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to profit or loss over the period of the lease.

(o) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Singapore dollars which is the group's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

(p) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year are measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Central Provident Fund ("CPF") contributions**:** The Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution post-employment or pension scheme. Contributions to post-employment benefits under defined contribution plans are recognised as an expense in the profit or loss as incurred.

(q) Share-based employee remuneration

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to 'share option reserve'.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up are allocated to share capital.

(r) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of medication is recognised upon delivery of the medication to the patient. Revenue from rendering of medical services such as medical consultation, surgery and transplantation is recognised upon completion of the consultation or procedure.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of goods and services tax ("GST").

(s) Profit or loss from discontinued operations

A discontinued operation is a component of the entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Profit or loss from discontinued operations, including prior year components of profit or loss, are presented in a single amount in the statement of profit or loss and other comprehensive income. This amount, which comprises the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale.

The disclosures for discontinued operations in the prior year relate to all operations that have been discontinued by the reporting date for the latest period presented.

(t) Transaction costs on the issue of equity instruments

Transaction costs arising from the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

(u) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(v) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates and Judgements

Impairment

The Group assesses impairment at each reporting date by evaluating conditions and events specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations and valuations from independent valuers are performed and used in assessing recoverable amounts, these calculations and valuations incorporate a number of key estimates.

Please refer to note 12 and 15 with respect to Management's consideration of impairment of receivables and goodwill respectively, as at 31 August 2016.

3 Revenue

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Operating activities		
Provision of services	13,776,576	15,667,083
Sale of medication	2,740,879	3,811,481
Management fee	565,390	875,540
Total revenue from operating activities	17,082,845	20,354,104
Other operating income		
Interest received	79,019	78,775
Other income	91,973	24,500
Total other operating income	170,992	103,275

4 Finance Expense

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Interest expense on obligation under finance lease	-	396

5 (Loss)/Profit For The Year

The (loss)/profit for the year has been arrived at after (charging)/crediting the following items:

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Expenses		
Cost of sales	(10,620,209)	(11,538,099)
Net foreign exchange (loss)/gain	(149,312)	3,505
Administrative expenses include rental expense on operating leases as follows:		
- premises	(492,391)	(485,167)
Depreciation is reflected in the statement of profit or loss as follows:		
- continuing operations	(75,301)	(98,566)
- discontinued operations	-	(30,899)
Provision for doubtful debts (Note 12(a))	(224,087)	-
Professional fees	(409,357)	(366,018)
Management fees	(166,163)	(214,088)

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Credit card charges	(59,730)	(54,133)
Central Provident Fund	(211,554)	(192,263)

6 Income Tax (Benefit)/Expense

	Consolidated Group	
	2016	**2015**
	S$	**S$**
a. The components of tax (benefit)/expense comprise:		
Current tax	-	16,448
Deferred tax	(150,000)	-
Over provision in respect of prior years	-	(3,289)
	(150,000)	13,159

b. The prima facie tax on (loss)/profit before income tax is reconciled to the income tax as follows:		
Prima facie tax (refundable)/payable on (loss)/profit before income tax at 30% (2015: 30%)	(663,337)	171,560
Effect of tax rates in foreign jurisdiction	223,158	(206,154)
Add:		
Tax effect of:		
- non-deductible expenses	67,165	255,701
- non-taxable incomes	(11,322)	(52,792)
- over provision for income tax in prior years	-	(3,289)
- partial income tax exemption	-	(24,348)
- utilisation of deferred tax assets previously not recognised	9,305	(217,394)
- deferred tax asset not recognised	225,031	96,924
- others	-	(7,049)
Income tax (benefit)/expense	(150,000)	13,159

The value of tax losses and capital allowances not recognised is S$6,859,000 and S$428,000 (2015: S$5,363,000 and S$418,000).

7 Auditor's Remuneration

	Consolidation Group	
	2016	**2015**
	S$	**S$**
Remuneration of the parent entity auditor, Grant Thornton Audit Pty Ltd:		
- auditing or reviewing the financial report	26,865	27,556
- taxation services	7,238	12,188
Remuneration of other auditors:		
- auditing or reviewing the financial report of subsidiaries	69,300	32,320
- taxation services	8,900	4,900

8 Discontinued Operations

Our blood and bone marrow transplant segment, operated under Asian American Blood & Bone Marrow Transplant Centre Pte Ltd ("AABMTC"), ceased operations on 31 December 2014. It subsequently changed its name to Asian American Radiation Oncology Pte Ltd ("AARO") and commenced operating a new radiation oncology segment thereafter in the previous financial year. AABMTC's financial results up to the date of closure have been classified as "Discontinued Operations" in the prior year's Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Results of the discontinued operations are as follows:

	Consolidation Group	
	2016	**2015**
	S$	**S$**
Revenue	-	512,201
Other income	-	37,590
Changes in inventories	-	(63,016)
Raw materials and consumables used	-	(248,791)
Employment benefits expense	-	(334,711)
Operating lease expense	-	(96,321)
Depreciation expense	-	(30,899)
Directors' fees	-	(32,000)
Write down of inventory	-	(108,515)
Write down of capital assets	-	(183,522)
Other operating income - net	-	56,844
Loss for the year from discontinued operations	-	(491,140)

Prior to the conversion to the new radiation oncology segment, all the financial assets and liabilities relating to the discontinued operations have been fully recovered, paid, written down and disposed of. However, certain assets have been carried over to the new segment as follows:

	2015
	S$
Non-current assets:	
- Plant and equipment	48,606
Current assets:	
- Cash and cash equivalent	549,742
- Trade and other receivables	43,736
Assets carried forward for new business segment	**642,084**
Current liabilities:	
- Trade and other payables	75,583
Liabilities carried forward for new business segment	**75,583**

Cash flows generated by blood and bone marrow for the prior year reporting period under review until the disposal are as follows:

	Consolidation Group	
	2016	2015
	S$	S$
Operating activities	-	(717,394)
Investing activities	-	16,859
Cash flows from discontinued operations	-	(700,535)

9 Dividends

No interim or final dividend has been paid during the year or recommended by the Directors following the completion of accounts for the financial year ended 31 August 2016 (2015: Nil).

10 Earnings per Share

	Consolidation Group	
	2016	2015
	S$	S$
(Loss)/Profit for the year	(2,062,338)	558,710
Add: Non-controlling interest	1,215	39,354
(Loss)/Profit after income tax attributable to the owners of Asian American Medical Group Limited	(2,061,123)	598,064

	Number of shares	Number of shares
Weighted average number of ordinary shares during the year used in calculating basic EPS	277,126,277	224,248,521
Effect of dilution:		
Share option	-	1,299,000
Weighted average number of ordinary shares during the year used in calculating diluted EPS	277,126,277	225,547,521
Basic (loss)/earnings per share (S cents)		
- continuing operations	(0.74)	0.49
- discontinued operations	-	(0.22)
	(0.74)	0.27
Diluted (loss)/earnings per share (S cents)		
- continuing operations	(0.74)	0.49
- discontinued operations	-	(0.22)
	(0.74)	0.27

11 Cash and Cash Equivalents

	Consolidation Group	
	2016	**2015**
	S$	**S$**
Cash and bank balances	4,579,031	4,582,504
Fixed deposit	6,728,874	1,666,862
Cash and cash equivalents	11,307,905	6,249,366
Less: Fixed deposit pledged	-	(121,886)
Cash per consolidated statement of cash flows	11,307,905	6,127,480

The effective interest rate on short-term bank deposits was 0.68% - 2.75% (2015: 2.57% - 3.60%) per annum; these deposits have a maturity of between 4 - 12 months (2015: 4 - 12 months).

Fixed deposit amounting to S$121,866 was pledged last year to banks for performance guarantee relating to the operating lease.

12 Trade and Other Receivables

	Consolidation Group	
	2016	**2015**
	S$	**S$**
Current		
Trade receivables	4,635,006	7,497,717
Less: Provision for doubtful debts	(224,087)	-
Trade receivables - net	4,410,919	7,497,717
Other receivables	40,028	782,115
Deposits	147,747	36,800
Total current trade and other receivables	4,598,694	8,316,632

a. Provision for impairment of receivables

Included in the current year's trade receivable is an amount of S$224,087 due from Rich Tree Land Pte Ltd ("RTL") which were billings by Asian American Medical Group Pte Ltd ("AAMG PL") for work performed as the appointed Project Lead Manager ("PLM") for the Zhuhai Project. Following the termination of the PLM Agreement during the year, RTL has disputed our billings and as a result, we have begun legal proceedings to recover this debt. To be prudent, we have made a provision for doubtful debts even though we are confident of recovering this debt.

Apart from the above, current trade and term receivables are non-interest bearing loans and generally on 60 - 120 days terms. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired. Apart from the abovementioned debt, no trade or other receivables are considered past due or impaired. The Group reviews its trade receivables for evidence of impairment on a regular basis. The trade receivable consists mainly amounts owning by the United Arab Emirates ("UAE") government agencies. Management holds regular meetings with the agencies relating to patient care feedback and collection of amounts outstanding. Management is of the opinion that the trade receivables are recoverable and hence, no further impairment is required.

b. Credit risk

The group has no significant concentration of credit risk with respect to any single counter party or group of counter parties.

The following table details the Group's trade receivables exposed to credit risk with ageing analysis. Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between the Group and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

There is no other class of financial assets that is past due and/or impaired except for trade receivables. The balances of receivables that remain within initial trade terms are considered to be high credit quality.

	Consolidation Group	
	2016	**2015**
	S$	**S$**
Current	2,119,473	1,341,247
Due 1 - 30 days	681,611	553,900
Due 31- 60 days	588,580	830,853
Due over 60 days	1,021,255	4,771,717
	4,410,919	7,497,717

13 Inventories

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Medical Supplies at cost	190,728	163,668

14 Plant and Equipment

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Office equipment		
At Cost	9,534	12,114
Accumulated depreciation	(7,400)	(8,988)
Total office equipment	2,134	3,126
Medical equipment		
At Cost	338,929	338,929
Accumulated depreciation	(325,162)	(296,395)
Total medical equipment	13,767	42,534
Computers		
At Cost	167,425	172,183
Accumulated depreciation	(107,891)	(89,606)
Total computers	59,534	82,577
Furniture and fittings		
At Cost	15,311	14,111
Accumulated depreciation	(13,670)	(13,307)
Total furniture and fittings	1,641	804

Renovations		
At Cost	240,856	240,856
Accumulated depreciation	(199,296)	(180,110)
Total Renovations	41,560	60,746
Total plant and equipment	118,636	189,787

a. Movements in carrying amounts

Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Office equipment	Medical equipment	Computers	Furniture and fittings	Renovations	Total
	S$	S$	S$	S$	S$	S$
Consolidated Group						
Balance at 31 August 2015	3,126	42,534	82,577	804	60,746	189,787
Additions	-	-	2,950	1,200	-	4,150
Disposals	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-
Depreciation expense	(992)	(28,767)	(25,993)	(363)	(19,186)	(75,301)
Carrying amount at 31 August 2016	2,134	13,767	59,534	1,641	41,560	118,636

	Office equipment	Medical equipment	Computers	Furniture and fittings	Renovations	Total
	S$	S$	S$	S$	S$	S$
Balance at 31 August 2014	4,539	136,528	81,212	-	246,070	468,349
Additions	-	-	36,825	818	23,639	61,282
Disposals	-	(21,948)	(4,909)	-	-	(26,857)
Write-offs – discontinued operations	-	(10,891)	(441)	-	(172,190)	(183,522)
Depreciation expense						
- continuing operations	(1,413)	(57,758)	(28,580)	(14)	(10,801)	(98,566)
- discontinued operations	-	(3,397)	(1,530)	-	(25,972)	(30,899)
Carrying amount at 31 August 2015	3,126	42,534	82,577	804	60,746	189,787

Included in medical equipment is equipment under finance lease arrangement amounting to S$Nil (2015: S$19,667).

Finance lease liabilities in the prior year were secured by the related assets held under finance leases.

15 Intangible Assets

	Consolidated Group	
	2016	2015
	S$	S$
Total Intangible Assets		
Goodwill		
Cost and carrying value at the end of the years	266,123	266,123

Impairment disclosures

Goodwill is allocated to cash generating units (CGU's) according to applicable business operations. There is no impairment loss in the current period and prior year. In the current financial year, the liver segment incurred a loss. The Management is of the view that the quantum of the loss for the current financial year is irregular and expects to see an improvement in the next financial year which will in turn improve the segment's profitability. The recoverable amount of a CGU is based on value-in-use calculations. These calculations are based on projected cash flows approved by management covering a period not exceeding five years. Management's determination of cash flow projections and gross margins are based on past performance and its expectation for the future. The present value of future cash flows has been calculated using a discount rate of 10% (2015: 10%) and a growth rate of 5% (2015: 5%) per annum to determine value-in-use.

No impairment loss was required for the carrying value of goodwill as the recoverable amount was assessed to be in excess of its carrying value. The directors believe that any reasonable change in the key assumptions will not materially cause the recoverable value of the CGU to be lower than the carrying amount.

16 Trade and Other Payables

	Consolidated Group	
	2016	2015
Current	S$	S$
Trade payables	3,928,457	5,767,363
Patients' deposits	57,462	202,087
Provision for employee benefits	188,560	149,085
Sundry payables and accrued expenses	355,221	577,443
Total current trade and other payables	4,529,700	6,695,978

The provision for employee benefits relates to the provision for cash bonus to employees for the period from January to August 2016 (2015: January to August 2015) and is payable by December 2016 (2015: December 2015).

17 Taxation

	Consolidated Group	
	2016	2015
	S$	S$
Current assets		
Income tax refundable	8,334	-
Current liabilities		
Income tax payable	-	13,159

Non-current

	1 September 2015	Recognised in profit or loss	31 August 2016
	S$	S$	S$
Deferred tax asset			
Tax allowance relating to unabsorbed losses	-	150,000	150,000
Net deferred tax asset	-	150,000	150,000

18 Issued Capital

	Consolidated Group	
	2016	2015
	S$	S$
Opening share balance	7,458,090	4,267,495
Shares issued during the year	5,722,880	3,203,261
Share issue expenses	(363,772)	(12,666)
Share options exercised	115,340	-
Closing share capital	12,932,538	7,458,090

a. Ordinary shares	2016 Number of shares	2015 Number of shares
Opening share balance	239,453,754	209,453,754
Shares issued during the year	57,000,000	30,000,000
Share options exercised	1,299,000	-
Closing share capital	297,752,754	239,453,754

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Following the approval received from Shareholders at the Annual General Meeting held on 3 December 2015, the Company issued a total of 57,000,000 new ordinary shares at A$0.10 per share for A$5,700,000 which were fully paid in January 2016. In addition, 1,299,000 new ordinary shares were issued in January 2016 under the Group's Incentive Option Scheme.

In March 2015, the Company issued a total of 30,000,000 new ordinary at A$0.10 per share for A$3,000,000 at exchange rate of A$1: S$1.064) which were fully paid.

b. Capital management

Management controls the capital of the Group in order to provide shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. Currently the Group has no debt.

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital during the year.

19 Reserves

a. Nature and purpose of reserve

(i) Share-based payments

The share-based payments reserve is used to recognise:

- At grant date the fair value of options issued to employees but not exercised
- At grant date the fair value of shares issued to employees
- The issue of shares held by the AAMG Employee Share Trust to employees

(ii) Foreign currency translation

Exchange difference arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 2(q) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

b. Movements in reserves

	Consolidated Group	
	2016	**2015**
	S$	**S$**
(i) Employee share option reserve		
Beginning of financial year	72,179	72,179
Employee share option exercised (Note 20)	(72,179)	-
End of financial year	-	72,179
(ii) Foreign currency translation reserve		
Beginning of financial year	(595,513)	106,006
Net currency translation differences of financial statements of foreign subsidiaries	220,956	(701,519)
End of financial year	(374,557)	(595,513)
Total as at end of financial year	**(374,557)**	**(523,334)**

20 Share-Based Employee Remuneration

As at 31 August 2016 the Group maintained an equity settled share-based payment schemes for employee remuneration.

For the options granted to vest, persons eligible to participate in this programme have to remain employed for the agreed vesting period. The maximum term of the options granted under the Scheme ended on 17 January 2016. Upon vesting, each option allows the holder to purchase one ordinary share at a discount of 20% of the market price determined at grant date.

All share-based employee remuneration will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options.

Share options and weighted average exercise prices are as follows for the reporting periods presented:

	Number of share	Weighted average exercise price (A$)
Outstanding at 31 August 2015	1,299,000	0.088
Granted	-	-
Forfeited	-	-
Exercised	(1,299,000)	0.088
Outstanding at 31 August 2016	-	-
Exercisable at 31 August 2016	-	-
Exercisable at 31 August 2015	1,299,000	0.088

There no outstanding share options at the end of the reporting year (2015: A$0.088).

The fair values of options granted were determined using a variation of the binomial option pricing model that takes into account factors specific to the share incentive plans, such as the vesting period. The total shareholder return performance condition related to the Scheme, being a market condition, has been incorporated into the measurement by means of actuarial modelling.

The following principal assumptions were used in the valuation:

Grant date	17 January 2011
Vesting period ends	17 January 2014
Share price at date of grant	A$0.12
Volatility	69%
Option life	5 years
Dividend yield	5.830%
Risk free investment rate	2.875%
Fair value at grant date	A$0.04
Exercise price at date of grant	A$0.088
Exercisable from / to	17 January 2012- 17 January 2016

The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of time since its flotation on the ASX. No special features inherent to the options granted were incorporated into measurement of fair value.

No employee remuneration expense (all of which related to equity-settled share-based payment transactions) has been included in profit or loss for FY2016 and credited to share option reserve (2015: Nil).

21 Controlled Entities

Controlled entities consolidated

	Country of incorporation	Percentage owned (%) 2016	2015
Asian American Medical Group Limited	Australia		
Subsidiary of Asian American Medical Group Limited:			
Asian American Medical Group Inc.	British Virgin Islands	100	100
Subsidiaries of Asian American Medical Group Inc.			
Asian American Liver Centre Pte. Ltd.	Singapore	100	100
Asian American Radiation Oncology Pte. Ltd. (formerly known as Asian American Blood & Marrow Transplant Centre Pte. Ltd.)	Singapore	70	70
Asian American Medical Group Pte. Ltd.	Singapore	100	100
Million Health Ventures Pte. Ltd.	Singapore	100	-
Associate of Asian American Liver Centre Pte. Ltd :			
PT. Asian Liver Center Indonesia	Indonesia	50	50

22 Commitments

	Consolidated Group 2016 S$	2015 S$
a. Operating leases		
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable – minimum lease payments		
Not longer than 1 year	489,902	19,201
Longer than 1 year but not longer than 5 years	448,018	-
	937,920	19,201

The leases for the Group's office premises at Gleneagles Hospital will expire in June 2018 and February 2019.

b. Finance leases

There is no outstanding finance lease balance at balance sheet date.

c. Capital Commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements amounting to S$28,000 (US$20,000) is in respect of investment of 20% shares in a joint venture company in Myanmar. The Myanmar joint venture company is in the process of incorporation subsequent to year end and upon completion of the incorporation, the investment commitment will be payable. However, the liver clinic has commenced operations during the year but is temporarily operating on a different revenue sharing model until the joint venture company is set up.

There is no other capital commitment as at reporting date.

23 Cash Flow Information

Reconciliation of cash flow from operations with (loss)/profit after income tax

	Consolidated Group	
	2016	**2015**
	S$	**S$**
(Loss)/profit after income tax	(2,061,123)	558,710
Adjustment for:		
Depreciation		
- continuing operations	75,301	98,566
- discontinued operations	-	30,899
Provision for doubtful debts	224,087	-
Foreign exchange gain/(loss) – net	44,870	(166,569)
Finance income	(79,019)	(78,775)
Finance cost	-	396
Write down of inventory	-	108,515
Write down of capital assets	-	183,522
Loss on disposal of capital assets	-	9,998
Changes in assets and liabilities:		
Decrease/(increase) in trade and other receivables	3,583,475	(6,505,040)
(Increase)/decrease in inventories	(27,061)	131,458
(Decrease)/increase in trade and other payables	(2,158,896)	3,715,716
(Decrease)/increase in deferred and current tax liabilities	(171,493)	30,159
Net cash used in operating activities	(569,859)	(1,882,445)

24 Events After the Balance Sheet Date

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

25 Operating Segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated Group that are regularly reviewed by the chief operating decision maker, the Board of Directors (chief operating decision makers), in order to allocate resources to the segment and to assess its performance. The Consolidated Group has identified its operating segments to be as follows based on distinct operational activities:

(i) Provision of medical consultation and services in the hepatology and related fields (liver segment); and
(ii) Provision of medical consultation and services in the radiation oncology and related fields (radiation oncology segment);
(iii) Provision of healthcare management and consultancy services (management and consultancy segment); and
(iv) Provision of medical consultation and services in the haematology and related fields (blood & bone marrow segment) which ceased last financial year and was classified as "Discontinued operations".

This is the basis on which internal reports are provided to the Board of Directors for assessing performance and determining the allocation of resources within the Consolidated Group. Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the group.

The current Consolidated Group operates primarily in three businesses, namely the provision of medical consultation and services in the hepatology, radiation oncology and healthcare management and its related field advisory.

Details of the performance of each of these operating segments for the financial years ended 31 August 2016 and 31 August 2015 are set out below:

(i) Segment performance

	Liver	Radiation Oncology	Management & Consultancy	Blood & Bone Marrow	Total
	S$	S$	S$	S$	S$
31 August 2016					
External sales revenue	15,640,633	1,060,819	381,393	-	17,082,845
Inter segment sales	-	6,884	-	-	6,884
Total segment revenue	15,640,633	1,067,703	381,393	-	17,089,729
Inter-segment eliminations					(6,884)
Total Group revenue					17,082,845
Segment net (loss)/profit before tax	(1,011,359)	4,051	(709,290)	-	(1,716,598)
Other expenses					(494,525)
Income tax benefit					150,000
Total Group net loss after tax					(2,061,123)

	Liver	Radiation Oncology	Management & Consultancy	Blood & Bone Marrow	Total
	S$	S$	S$	S$	S$
31 August 2015					
External sales revenue	19,489,705	33,063	831,336	512,201	20,866,305
Inter segment sales	1,020	9,083	-	-	10,103
Total segment revenue	19,490,725	42,146	831,336	512,201	20,876,408
Less: Revenue from discontinued operations					(512,201)
Inter-segment eliminations					(10,103)
Total Group revenue					20,354,104
Segment net profit/(loss) before tax	1,277,442	(131,181)	271,602	(491,140)	926,723
Other expenses					(354,854)
Income tax expense					(13,159)
Total Group net profit after tax					558,710

(ii) Segment assets

	Liver	Radiation Oncology	Management & Consultancy	Others	Total
	S$	S$	S$	S$	S$
31 August 2016					
Segment assets	5,986,052	579,796	6,045,209	10,758,360	23,369,417
Reconciliation of segment assets to Group assets:					
Inter-segment eliminations					(6,995,120)
Unallocated assets intangible					266,123
Total Group assets					16,640,420
Segment asset increases in the year					
Capital expenditure	2,950	1,200	-	-	4,150

	Liver	Radiation Oncology	Management & Consultancy	Others	Total
	S$	S$	S$	S$	S$
31 August 2015					
Segment assets	9,229,081	520,816	867,671	5,385,139	16,002,707
Reconciliation of segment assets to Group assets:					
Inter-segment eliminations					(1,083,254)
Unallocated assets intangible					266,123
Total Group assets					15,185,576

Segment asset increases in the year

Capital expenditure	52,302	7,259	1,721	-	61,282

(iii) Segment liabilities

	Liver	Radiation Oncology	Management & Consultancy	Others	Total
	S$	S$	S$	S$	S$
31 August 2016					
Segment liabilities	(3,964,150)	(136,108)	(6,356,287)	(1,061,670)	(11,518,215)

Reconciliation of segment liabilities to Group liabilities:

Inter-segment eliminations	6,988,515
Total Group liabilities	(4,529,700)

	Liver	Radiation Oncology	Management & Consultancy	Others	Total
	S$	S$	S$	S$	S$
31 August 2015					
Segment liabilities	(6,345,821)	(81,179)	(527,792)	(866,333)	(7,821,125)

Reconciliation of segment liabilities to Group liabilities:

Inter-segment eliminations	1,111,988
Total Group liabilities	(6,709,137)

(iv) Revenue by geographical location

Revenue attributable to external customers is disclosed below, based on the location of where the revenue was derived:

	Consolidated Group	
	2016	2015
	S$	S$
Singapore	16,525,263	19,534,765
Asia (ex-Singapore)	426,825	796,261
Others	130,757	23,078
Total revenue	17,082,845	20,354,104

(v) Assets by geographical location

	Consolidated Group	
	2016	2015
	S$	S$
Assets by geographical location:		
Australia	4,131,154	4,761,889
Singapore	12,509,266	10,423,687
Total assets	16,640,420	15,185,576

(vi) Major Customers

The group is not reliant on any one major customer to whom it provides its products or services to.

26 Parent Company Information

	2016	2015
Parent entity	**S$**	**S$**
Assets		
Current assets	10,758,347	5,385,127
Non-current assets	1,390,826	2,803,557
Total assets	12,149,173	8,188,684
Liabilities		
Current liabilities	(38,453)	(25,882)
Total liabilities	(38,453)	(25,882)
Total Net Assets	12,110,720	8,162,802
Equity		
Issued capital	26,019,305	20,544,857
Retained Earnings	(13,475,546)	(11,806,633)
Employee share option reserve	-	72,180
Foreign currency revaluation reserve	(433,039)	(647,602)
Total Equity	12,110,720	8,162,802

	2016	2015
Financial performance	**S$**	**S$**
(Loss)/Profit for the year	(1,741,093)	355,634
Other comprehensive income/(loss)	214,564	(662,080)
Total comprehensive loss	(1,526,529)	(306,446)

Included in the loss for the year is a S$1,412,731 write down (2015: S$1,649,528 write back) of investment in subsidiary to the net asset of the Group and does not have an impact on the Group's consolidated results for the current or prior year.

The parent entity has no contingent liabilities, contractual commitments or guarantees in relation to its subsidiary entities.

27 Company Details

The registered office of the company is:
25 Peel Street
Adelaide SA 5000

The principal place of business is:
Asian American Medical Group
6A Napier Road,
Gleneagles Hospital Annexe Block #02-37,
Singapore 258500

Singapore centres:
Asian American Liver Centre Pte Ltd
6A Napier Road,
Gleneagles Hospital Annexe Block #02-37,
Singapore 258500

Asian American Radiation Oncology Pte Ltd
6A Napier Road,
Gleneagles Hospital Annexe Block #02-37,
Singapore 258500

Asian American Medical Group Pte Ltd
6A Napier Road,
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Singapore 258500

Malaysia centre:
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59200 Kuala Lumpur, Malaysia.