For personal use only

ASIAN AMERICAN MEDICAL GROUP LIMITED

and its controlled entities

ABN 42 091 559 125

APPENDIX 4D

HALF YEAR REPORT

28 FEBRUARY 2017

For personal use only

Asian American Medical Group Limited *and its controlled entities*

Appendix 4D Half Year Report for the period ended 28 February 2017

Table of Contents *Page*

Results for Announcement to the Market	**2**
Corporate Directory	**4**
Directors' Report	**5**
Auditor's Independence Declaration	**8**
Consolidated Statement of Profit or Loss and Other Comprehensive Income	**9**
Consolidated Statement of Financial Position	**10**
Consolidated Statement of Changes in Equity	**11**
Consolidated Statement of Cash Flows	**12**
Notes to the Interim Financial Report	**13**
Directors' Declaration	**20**
Independent Auditor's Review Report	**21**

For personal use only

Appendix 4D

Asian American Medical Group Limited

ABN 42 091 559 125

Half year report

Current reporting period: 6 months ended 28 February 2017
Previous corresponding period: 6 months ended 29 February 2016
All amounts are stated in Singapore Dollars.

Results for announcement to the market

				S$'000
Revenue	Down	23.8%	to	6,965
Loss after tax attributable to members	Up	180.6%	to	(2,186)
Net loss for the period attributable to members	Up	180.6%	to	(2,186)

Commentary on results

Please refer to the review of operations within the Directors' report on page 5.

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

	28-Feb-17	31-Aug-16
Net tangible assets per ordinary share - (S cents)	3.50	3.98
- (A cents)*	3.24	3.87
Net asset value per ordinary share - (S cents)	3.50	4.07
- (A cents)*	3.24	3.96

*exchange rate used was 1.08 S$ to 1A$ (2016: 1.03 S$ to 1A$1)

Details of entities over which control has been gained or lost

Asian American Oncology Management Sdn. Bhd., a wholly-owned subsidiary of Million Health Ventures Pte. Ltd. was set up on 7 December 2016.

Compliance statement

This report is based on the interim financial report that has been reviewed. The review report which was not subject to qualification is included in the interim financial report.

For personal use only

For personal use only

Asian American Medical Group Limited

Corporate Directory

Directors
Dato' Dr Kai Chah Tan (Executive Chairman)
Mr Evgeny Tugolukov (Non-Executive Director)
Mr Kong Meng Ang (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

Registered Office
25 Peel Street
Adelaide SA 5000
Tel: +61 8 8110 0999
Fax: +61 8 8110 0900
Website: www.aamg.co

Auditors
Grant Thornton Audit Pty Ltd
Level 3, 170 Frome Street
Adelaide SA 5000
Tel: +61 8 8372 6666
Fax: +61 8 8372 6677

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
Fax: +61 8 9473 2408

Stock Exchange Listing
The Company's shares are quoted on the Official List of Australian Securities Exchange Limited.
ASX Code : AJJ

For personal use only

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

Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the six months ended 28 February 2017 ("1H2017").

Directors

The names of directors who held office during or since the end of the period:

Dato' Dr Kai Chah Tan (Executive Chairman)
Mr Evgeny Tugolukov (Non-Executive Director)
Mr Kong Meng Ang (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)

Review of Operations

The principal activity of Asian American Medical Group Limited and its controlled entities ("AAMG" or "the Group") is that of provision of specialised medical services for liver diseases and transplantation, radiation oncology and healthcare project management and consultancy services.

The following table summarises the financial performance of the Group for 1H2017 compared to that of 1H2016:

	1H2017	1H2016	Change
	S$'000	S$'000	%
Revenue	6,965	9,139	(23.8)
Other income	66	114	(42.1)
Write-back of provision for doubtful debts	150	-	n.m.
Impairment of goodwill	(266)	-	n.m.
Direct costs and operating expenses	(8,951)	(10,044)	(10.9)
Loss from operations before taxation	(2,036)	(791)	157.4
Taxation	(146)	(5)	n.m.
Loss after taxation	(2,182)	(796)	174.1
Loss attributable to:			
Members of the parent entity	(2,186)	(779)	180.6
Non-controlling interest	4	(17)	n.m.
	(2,182)	(796)	174.1
Basic loss per share (S cents)	(0.73)	(0.31)	135.5
Diluted loss per share (S cents)	(0.73)	(0.31)	135.5

n.m. – not meaningful

For personal use only

Review of Financial Performance

While Singapore continues to be a leading hub in Southeast Asia for high-quality and sophisticated treatments, the regional operating environment has made it increasingly difficult for all local healthcare providers. Challenges such as advances in regional medical tourism destinations and the relative strength of the Singapore dollar as compared to neighbouring countries are just some of the reasons for this.

In line with the challenging operating environment faced by all Singapore-based healthcare providers, the Group's total revenue decreased by 23.8% or S$2.1 million to S$7.0 million in 1H2017 from S$9.1 million in 1H2016. This decline is due mainly to the performance of our Liver segment and Management and Consultancy segment. However, amid these challenges, our newly established Radiation Oncology segment recorded a 269.3% increase in revenue.

A review of our operations is as follows:

i. *Liver segment*

Revenue from the Group's Liver segment under Asian American Liver Centre ("AALC") fell 28.5% to S$6.2 million from S$8.7 million in 1H2016. This is due to a 20.6% decline of total patient transactions to 3,132 as compared to 3,947 in 1H2016. AALC performed four successful living donor liver transplantations ("LDLT") in 1H2017 as compared to eight in 1H2016.

The number of surgical procedures and liver dialysis dropped by 50.0% and 34.5%, respectively, for 1H2017 as compared to the corresponding period. The decline in patient numbers and surgical cases impacted the revenues from sale of medication and professional fees, which saw a decline of 33.6% and 31.6%, respectively.

The Liver segment remained the Group's largest revenue contributor, accounting for 89.5% of the Group's top line, down from 95.4% last year.

ii. *Radiation Oncology segment*

Our Radiation Oncology segment operating under Asian American Radiation Oncology ("AARO") continued its growth momentum and recorded a 269.3% increase in revenue, from S$0.2 million in 1H2016 to S$0.7 million in 1H2017.

AARO's growth is due mainly to two factors. Firstly, the number of patient transactions has more than doubled from 72 in 1H2016 to 172 in 1H2017. Secondly, project-related income such as the work performed in Russia and Myanmar, grew over 300.0% over the same comparative period.

This segment contributed 10.2% to the Group's revenue for 1H2017, up from only 2.1% in the corresponding period, highlighting its increased significance to the Group. We expect AARO to remain profitable.

iii. *Management and Consultancy segment*

In the absence of significant project-related income following the cessation of the Zhuhai-Singapore Life Science Park Project ("the Zhuhai Project") in FY2016, revenue from the Management and Consultancy segment fell 90.6% to S$0.02 million in 1H2017 from S$0.2 million in 1H2016.

Despite the fall in revenue for this segment, AAMG will continue to invest time and effort to strengthen our management and consultancy business to execute our growth strategies of expanding overseas and revenue diversification.

Direct costs decreased by 21.1% or S$1.2 million to S$4.5 million in 1H2017 from S$5.7 million in 1H2016, in line with the decrease in revenue of 23.8%. The marginally lower decrease in direct costs compared to revenue resulted in the lower gross profit margin of 35.0% in 1H2017 as compared to 37.8% in 1H2016.

Other operating expenses (excluding financial and other income) increased by S$0.3 million from S$4.2 million in 1H2016 to S$4.5 million in 1H2017. This is due mainly to the following one-off items:

- Write-off of goodwill relating to AALC of S$0.3 million;
- Unrealised foreign exchange loss of S$0.3 million due to the strengthening of the AUD against the SGD; and
- Write-back of provision for doubtful debts of S$0.2 million.

In addition, there is a reduction of S$0.1 million in personnel related cost.

As a result of the above, the Group recorded a higher Net Loss After Tax ("Net Loss") of S$2.2 million for 1H2017 compared to a Net Loss of S$0.8 million in 1H2016, after deducting income tax expense (reversal of deferred tax benefit recognised last financial year) of S$0.2 million.

Review of Financial Position (as at 28 February 2017 vs 31 August 2016)

Trade and other receivables decreased by 16.3%, or S$0.8 million, to S$3.8 million from S$4.6 million six months ago, due to lower revenue and improved collections as turnover days fell from 101 to 96. However, trade and other payables increased by S$0.8 million or 17.8% to S$5.3 million from S$4.5 million as at 31 August 2016 due to the timing of payment to suppliers. This is reflected in the increase of S$0.3 million in cash and cash equivalents despite the Net Loss of S$2.2 million as at 28 February 2017.

The Group's net asset fell by S$1.7 million from S$12.1 million six months ago to S$10.4 million mainly because of the Net Loss of S$2.2 million for the period, offset by an increase of S$0.5 million in foreign currency exchange reserves due to the positive effect of the strengthening of the AUD against SGD on the Group's foreign currency denominated net assets.

Given the above, Net Asset Value ("NAV") per share fell S 0.6 cent from S 4.1 cents as at 31 August 2016 to S 3.5 cents as at 28 February 2017.

Interim Dividends

No interim dividend has been declared by the Directors for the period ended 28 February 2017 (2016: Nil).

Subsequent Events

No matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group.

Auditor's Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 8 for the half-year ended 28 February 2017.

This report is signed in accordance with a resolution of the Board of Directors.

Dato' Dr Kai Chah Tan
Executive Chairman
12 April 2017

For personal use only

For personal use only

Grant Thornton

Grant Thornton House
Level 3
170 Frome Street
Adelaide, SA 5000
Correspondence to:
GPO Box 1270
Adelaide SA 5001

T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF ASIAN AMERICAN MEDICAL GROUP LIMITED

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Asian American Medical Group Limited for the half-year ended 28 February 2017, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b No contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S K Edwards
Partner – Audit & Assurance

Adelaide, 12 April 2017

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 28 FEBRUARY 2017

	Note	Consolidated Group 28.2.2017 S$	29.2.2016 S$
Revenue	**3**	**6,965,012**	**9,138,661**
Other operating income	3	66,285	113,802
Changes in inventories		(14,683)	1,272
Raw materials and consumables used		(4,510,143)	(5,684,228)
Employee benefits expense		(3,080,780)	(3,161,505)
Operating lease expense		(244,891)	(247,499)
Depreciation		(26,730)	(48,351)
Directors' fee		(81,618)	(130,072)
Write-back of provision for doubtful debts	5	150,078	-
Impairment of goodwill	6	(266,123)	-
Other expenses		(992,381)	(773,094)
Loss before income tax from operations		**(2,035,974)**	**(791,014)**
Income tax expense		(145,956)	(5,096)
Loss for the year		**(2,181,930)**	**(796,110)**
Other comprehensive gain/(loss)			
Items that may be reclassified subsequently to profit or loss			
Net effect of foreign currency translation (tax: Nil)		484,386	(32,720)
Total comprehensive loss for the period		**(1,697,544)**	**(828,830)**
Loss attributable to:			
Members of the parent entity		(2,185,703)	(778,774)
Non-controlling interests		3,773	(17,336)
		(2,181,930)	**(796,110)**
Total comprehensive loss attributable to:			
Members of the parent entity		(1,701,317)	(811,494)
Non-controlling interests		3,773	(17,336)
		(1,697,544)	**(828,830)**
Loss per share			
Basic loss per share (S cents)		**(0.73)**	**(0.31)**
Diluted loss per share (S cents)		**(0.73)**	**(0.31)**

For personal use only

For personal use only

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

Interim Financial Report
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2017

	Note	Consolidated Group 28.2.2017 S$	31.8.2016 S$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	11,606,648	11,307,905
Trade and other receivables	5	3,847,496	4,598,694
Inventories		176,046	190,728
Income tax refundable		13,034	8,334
TOTAL CURRENT ASSETS		15,643,224	16,105,661
NON-CURRENT ASSETS			
Property, plant and equipment		95,473	118,636
Intangible assets	6	-	266,123
Deferred tax asset		-	150,000
TOTAL NON-CURRENT ASSETS		95,473	534,759
TOTAL ASSETS		15,738,697	16,640,420
CURRENT LIABILITIES			
Trade and other payables		5,325,521	4,529,700
TOTAL CURRENT LIABILITIES		5,325,521	4,529,700
TOTAL LIABILITIES		5,325,521	4,529,700
NET ASSETS		**10,413,176**	**12,110,720**
EQUITY			
Equity attributable to members of the parent entity:			
Issued capital	7	12,932,538	12,932,538
Reserves		109,829	(374,557)
Accumulated losses		(2,744,825)	(559,122)
		10,297,542	11,998,859
Non-controlling interest		115,634	111,861
TOTAL EQUITY		**10,413,176**	**12,110,720**

The accompanying notes form part of this financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 28 FEBRUARY 2017

	Issued capital	Accumulated losses	Foreign currency translation reserve	Employee share option reserve	Non-controlling interest	Total
	S$	S$	S$	S$	S$	S$
Balance at 1.9.2015	7,458,090	1,431,037	(595,513)	72,179	110,646	8,476,439
Total comprehensive income:						
Loss for the period	-	(778,774)	-	-	(17,336)	(796,110)
Other comprehensive loss	-	-	(32,720)	-	-	(32,720)
	-	(778,774)	(32,720)	-	(17,336)	(828,830)
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
Balance at 29.2.2016	12,932,538	724,442	(628,233)	-	93,310	13,122,057
Balance at 1.9.2016	12,932,538	(559,122)	(374,557)	-	111,861	12,110,720
Total comprehensive income:						
Loss for the period	-	(2,185,703)	-	-	3,773	(2,181,930)
Other comprehensive gain	-	-	484,386	-	-	484,386
	-	(2,185,703)	484,386	-	3,773	(1,697,544)
Balance at 28.2.2017	12,932,538	(2,744,825)	109,829	-	115,634	10,413,176

The accompanying notes form part of this financial report.

For personal use only

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 28 FEBRUARY 2017

	Note	Consolidated Group 28.2.2017 S$	29.2.2016 S$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		7,844,417	10,924,122
Payments to suppliers and employees		(7,883,523)	(10,339,976)
Income tax paid		(656)	(8,228)
Net cash generated (used in)/from operating activities		**(39,762)**	**575,918**
CASH FLOWS FROM INVESTING ACTIVITIES			
Deposit for acquisition of subsidiary		-	(6,000,000)
Purchase of property, plant and equipment		(3,566)	(4,150)
Interest income		56,334	27,615
Net cash generated from/(used in) investing activities		**52,768**	**(5,976,535)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of new shares		-	5,838,220
Pledged fixed deposit redeemed		-	121,886
Share issue expenses		-	(363,772)
Net cash generated from financing activities		**-**	**5,596,334**
Net increase in cash and cash equivalents		13,006	195,717
Cash and cash equivalents at beginning of period		11,307,905	6,127,480
Exchange difference on cash and cash equivalents		285,737	12,832
Cash and cash equivalents at end of period	4	**11,606,648**	**6,336,029**

The accompanying notes form part of this financial report.

For personal use only

For personal use only

1 Nature of operations and general information

Asian American Medical Group Limited ("AAMG") is a company domiciled in Australia. The consolidated financial report of the Company as at and for half-year ended 28 February 2017 comprises the Company and its subsidiaries (together referred to as the "Group"). The principal activity of AAMG is that of provision of specialised medical services for liver diseases and transplantation, radiation oncology and healthcare project management and consultancy services. There has been no change in the principal activity of the Group during the financial year.

AAMG is a for-profit entity for the purpose of preparing financial statements.

The consolidated interim financial report is presented in Singapore Dollars (S$) as a significant portion of the group's activity is denominated in Singapore Dollars. The rate of exchange used at 28 February 2017 was 1.0792 S$ to 1A$ (2016: 1.0046 S$ to 1A$).

2 Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 28 February 2017 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Asian American Medical Group Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 August 2016, together with any public announcements made during the half-year.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 31 August 2016. The only exception is the estimate of the provision for income taxes which is determined in the interim financial statements using the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

These financial statements were authorised for issue by the Board of Directors on 12 April 2017.

For personal use only

3 Revenue

	Consolidated Group	
	28.2.2017	**29.2.2016**
	S$	**S$**
Operating activities		
Provision of services	5,855,212	7,353,943
Sale of medication	1,017,058	1,537,216
Management fee	92,742	247,502
Total revenue from operating activities	6,965,012	9,138,661
Other operating income		
Interest received	56,334	43,081
Other income	9,951	70,721
Total other operating income	66,285	113,802

4 Cash and cash equivalents

Cash and cash equivalents comprise the following amounts:

	Consolidated Group	
	28.2.2017	**31.8.2016**
	S$	**S$**
Cash and bank balances	4,884,496	4,579,031
Fixed deposits	6,722,152	6,728,874
Cash per consolidated statement of cash flows	11,606,648	11,307,905

The effective interest rate on short-term bank deposits was 0.25% - 2.75% (2016: 0.68% - 2.75%) per annum; these deposits have a maturity of between 3 - 12 months (2016: 4 -12 months).

5 Trade and other receivables

	Consolidated Group	
	28.2.2017	**31.8.2016**
	S$	**S$**
Trade receivables	3,675,524	4,635,006
Less: Provision for doubtful debts	-	(224,087)
Trade receivables - net	3,675,524	4,410,919
Other receivables	18,261	40,028
Deposits	153,711	147,747
Total current trade and other receivables	3,847,496	4,598,694

Movement in provision for doubtful debts:

	28.2.2017 S$	31.8.2016 S$
At beginning of period	224,087	-
Charge to profit or loss	-	224,087
Doubtful debt recovered	(150,078)	-
Allowances utilised	(74,009)	-
At end of period	-	224,087

a. Provision for doubtful debts

Included in the FY2016 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 last financial year, RTL disputed our billings and as a result, we initiated legal proceedings to recover this debt. During the reporting period, a settlement was reached between AAMG PL and RTL in which we managed to recover S$150,078.

Apart from the above, current trade and term receivables are non-interest bearing loans and generally on 60 - 120 days terms. A provision for doubtful debt 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 owing 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 provision is required.

6 Intangible assets

	Consolidated Group	
	28.2.2017 S$	31.8.2016 S$
Goodwill, at cost	266,123	266,123
Less: Accumulated impairment loss	(266,123)	-
Net carrying amount	-	266,123

The Group reviews the necessity and adequacy of the allowance for impairment at each reporting date and makes adjustments where necessary. Goodwill is tested for impairment annually and at each reporting date where there is objective evidence that goodwill may be impaired.

In performing the impairment assessment of the carrying amount of goodwill in HY2017, the recoverable amount of CGUs in which goodwill has been attributed to, is determined using value in use calculations using cash flow projections from financial budgets approved by the management covering a period not exceeding five years.

For personal use only

For personal use only

Impairment loss recognised

During the financial year, the Group recognised an impairment charge on its goodwill of S$266,123 in view of the uncertainty of the profitability of the AALC in the coming years. This resulted in the writing down of the carrying amount of goodwill to S$ nil as at end of the period. The impairment loss of $266,123 has been recognised in the profit or loss account.

7 Share capital

	Consolidated Group	
	28.2.2017	**31.8.2016**
	S$	**S$**
Opening share balance	12,932,538	7,458,090
Shares issued during the period	-	5,722,880
Share issue expenses	-	(363,772)
Share options exercised	-	115,340
Total capital	12,932,538	12,932,538

	Consolidated Group	
	28.2.2017	**31.8.2016**
	Number of shares	**Number of shares**
Ordinary Shares		
At the beginning of reporting period	297,752,754	239,453,754
Share issued during the period	-	57,000,000
Share options exercised	-	1,299,000
At reporting date	297,752,754	297,752,754

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

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.

In FY2016, the Company issued a total of 57,000,000 new ordinary at A$0.10 per share for A$5,700,000 in January and February 2016 (at average exchange rate of A$1: S$1.0072) which were fully paid.

For personal use only

8 Controlled Entities

	Country of Incorporation	Percentage Owned 28.02.2017	31.08.2016
Asian American Medical Group Limited	Australia	100%	100%
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.	Singapore	70%	70%
Asian American Medical Group Pte. Ltd.	Singapore	100%	100%
Million Health Ventures Pte. Ltd. (1)	Singapore	100%	100%
Subsidiary of Million Health Ventures Pte. Ltd. :			
Asian American Oncology Management Sdn. Bhd. (2)	Malaysia	100%	-
Associate of Asian American Liver Centre Pte. Ltd. :			
PT Asian Liver Center Indonesia	Indonesia	50%	50%

(1) Incorporated on 29th July 2016

(2) acquired on 7th December 2016

9 Segment Information

(i) Segment Performance

28 February 2017	Liver	Radiation Oncology	Management & Consultancy	Total
	S$	S$	S$	S$
External sales revenue	6,234,822	708,085	22,105	6,965,012
Inter segment sales	456	-	-	456
Total segment revenue	6,235,278	708,085	22,105	6,965,468
Inter-segment eliminations				(456)
Total Group revenue				6,965,012
Segment net (losses)/profit before tax	(432,947)	12,577	(799,136)	(1,219,506)
Other Expenses				(550,345)
Impairment loss on goodwill				(266,123)
Income tax expense				(145,956)
Net loss for the period				(2,181,930)

For personal use only

29 February 2016	Liver	Radiation Oncology	Management & consultancy	Total
	S$	S$	S$	S$
External sales revenue	8,718,379	184,861	235,421	9,138,661
Inter segment sales	-	6,884	-	6,884
Total segment revenue	8,718,379	191,745	235,421	9,145,545
Inter-segment eliminations				(6,884)
Total Group revenue				9,138,661
Segment net losses before tax	(296,409)	(57,785)	(218,848)	(573,042)
Other Expenses				(217,972)
Income tax expense				(5,096)
Net loss for the period				(796,110)

(ii) Segment assets

	Liver	Radiation Oncology	Management & Consultancy	Others	Total
	S$	S$	S$	S$	S$
28 February 2017					
Segment assets	7,044,236	710,283	5,865,302	16,581,871	30,201,692
Reconciliation of segment assets to Group assets:					
Inter-segment eliminations					(14,462,995)
Unallocated assets intangible					-
Total Group assets					15,738,697

	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

10 Contingent liabilities

There has been no contingent liability since the last annual reporting date.

11 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.

12 Subsequent Events

No matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group.

For personal use only

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 9 to 19 are in accordance with the *Corporations Act 2001*, including:
   a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
   b. giving a true and fair view of the consolidated entity's financial position as at 28 February 2017 and of its performance for the half-year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Dato' Dr Kai Chah Tan
Executive Chairman
12 April 2017

For personal use only

For personal use only

Grant Thornton

Grant Thornton House
Level 3
170 Frome Street
Adelaide, SA 5000
Correspondence to:
GPO Box 1270
Adelaide SA 5001

T 61 8 8372 6666
F 61 8 8372 6677
E info.sa@au.gt.com
W www.grantthornton.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ASIAN AMERICAN MEDICAL GROUP LIMITED

We have reviewed the accompanying half-year financial report of Asian American Medical Group Limited (the Company), which comprises the consolidated financial statements being the statement of financial position as at 28 February 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-year Financial Report

The Directors of Asian American Medical Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such controls as the Directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 28 February 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Asian American Medical Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation.

For personal use only

Grant Thornton

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Asian American Medical Group Limited is not in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the consolidated entity's financial position as at 28 February 2017 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S K Edwards
Partner – Audit & Assurance

Adelaide, 12 April 2017