Asian American
MEDICAL GROUP

2016 annual report

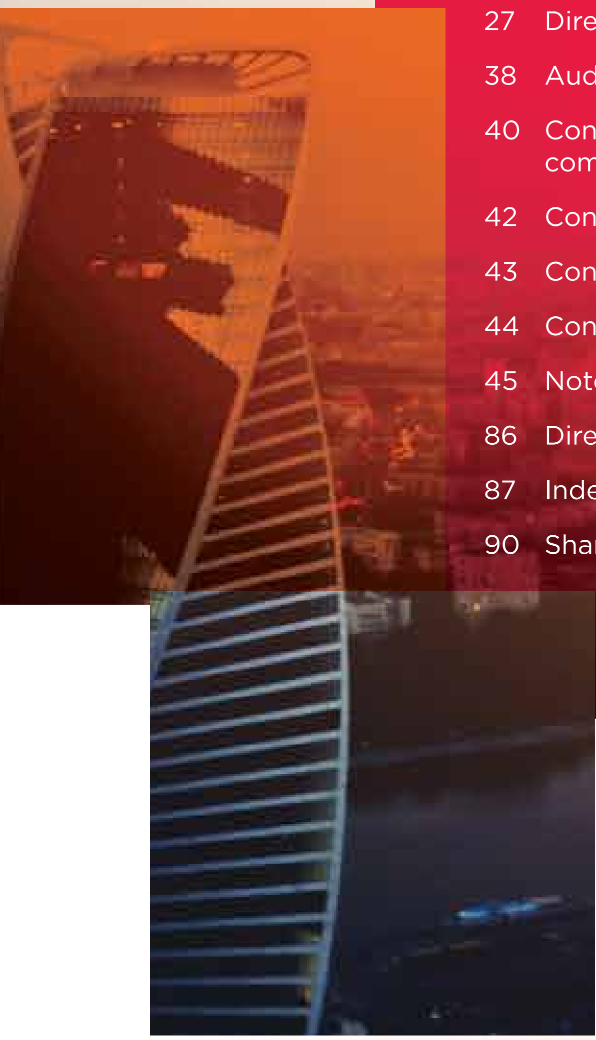
Asian American Medical Group Limited

ABN NUMBER 42 091 559 125

Annual report for the year ended 31 August 2016

dedicated to healing
powered by innovation

contents



corporate directory

BOARD OF 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)

AUDIT COMMITTEE
Mr Heng Boo Fong (Chairman)
Mr Paul Vui Yung Lee
Ms Jeslyn Jacques Wee Kian Leong

NOMINATION AND REMUNERATION COMMITTEE
Mr Heng Boo Fong (Chairman)
Mr Paul Vui Yung Lee
Mr Evgeny Tugolukov

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 1, 67 Greenhill Road
Wayville SA 5034
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 the Australian Securities Exchange Limited.
ASX Code : AJJ

corporate profile

Asian American Medical Group ("AAMG") is based in Singapore and has been listed on the Australian Securities Exchange since September 2009. The Group's operations include the Asian American Liver Centre Pte Ltd ("AALC"), established in 1994 in Singapore, and Asian American Radiation Oncology Pte Ltd ("AARO"), established in 2015.

The Group entered into a strategic collaboration in October 2012 with U.S.-based US$13-billion integrated global health enterprise University of Pittsburgh Medical Centre ("UPMC"). UPMC, ranked No. 12 on the U.S. News & World Report Honor Roll of American's Best Hospitals, is affiliated with the University of Pittsburgh Schools of the Health Sciences and is a pioneer in the field of transplantation. This collaboration has enhanced AAMG's clinical capabilities through shared protocols, rigorous quality standards and technology and also created a platform for AAMG to expand into other countries in Asia such as Malaysia and Myanmar.

AALC, one of Asia's foremost liver centres, is led by renowned hepatobiliary expert and liver transplant surgeon, Dato' Dr Kai Chah Tan ("Dr KC Tan"), who helped start the Liver Transplant Programme at King's College Hospital in London, U.K., and pioneered the highly successful Living Donor Liver Transplantation ("LDLT") Programme in Singapore. In 2014, AALC begun conducting surgical procedures at iHEAL Medical Centre in Kuala Lumpur, Malaysia.

AARO offers radiation oncology clinical, consultancy and management services and is spearheaded by Dr Daniel Yat Harn Tan. Based in Singapore, AARO will drive expansion into the growing radiotherapy and oncology segment in the overseas market, at a time where there is a shortage of modern radiotherapy treatment centres.

our vision

To develop AAMG into an international healthcare brand through organic growth and geographical expansion.

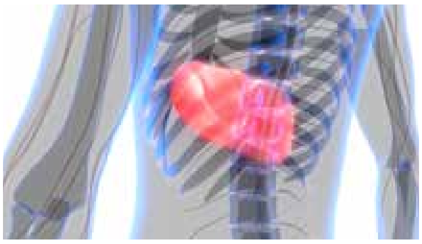
our mission

To deliver excellent multi-disciplinary medical care through clinical excellence, technological innovation and patient-centric care.

our values

Excellence	We always strive to excel and take pride in all that we do.
Innovation	We practice the most up-to-date clinical techniques, employ the latest technology and keep abreast of advancements in medical treatment.
Integrity	Honesty and integrity are fundamental to our organisation. We pride ourselves on our ethical conduct and comply strictly with legal requirements.
Transparency	We carefully communicate to our patients what their care will entail, so that they clearly understand the medical process. We regularly publish and present our clinical outcomes.
Compassion	Patients are our top priority and we work hard to meet their diverse needs. Empathy and compassion are integral to our mission to provide the best quality care.

key business segments



LIVER

AAMG's liver segment operates under AALC and is headquartered at Gleneagles Hospital in Singapore. Today, AALC is one of Asia's foremost lever centres dedicated to the treatment of all liver, pancreas and bile duct diseases in adults and children, and has expanded to Malaysia and Myanmar.

RADIATION ONCOLOGY

AARO is a sub-specialised radiation oncology division of AAMG. AARO provides radiation therapy treatment as well as management and advisory services to radiation oncology units in Asia. It currently has collaborations with medical institutions in Myanmar, Russia and Japan.

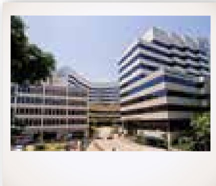
HEALTHCARE MANAGEMENT AND CONSULTANCY

Leveraging the rich pool of experience, knowledge and network of AAMG's key management team, the Group's healthcare management and consultancy segment aims to source and identify potential healthcare-related projects in which AAMG can participate.

key milestones

1990 - 2011

1990	The **world's first** heart-and-liver transplant performed by Dato' Dr KC Tan
1991	**First** split-liver transplant in the **U.K.** by Dato' Dr KC Tan
1992	**First** auxiliary liver transplant for liver failure **in the U.K.** by Dato' Dr KC Tan
1993	**First** paediatric living donor liver transplant ("LDLT") **in the U.K.** and **Second** auxiliary liver transplant for metabolic disease **in the world** by Dato' Dr KC Tan
1994	**AALC,** formerly known as **Asian Centre for Liver Diseases & Transplantation ("ACLDT")** is established by Dato' Dr KC Tan
1995	**First** paediatric LDLT **in Southeast Asia** by Dato' Dr KC Tan
1997	**Second** split-liver transplant in **Asia** by Dato' Dr KC Tan
2002	**First** successful adult LDLT **in Southeast Asia** by Dato' Dr KC Tan
2004 - 2006	**Performed first liver** transplants for patients **from Pakistan, Sri Lanka, Myanmar, Bangladesh** and the **United Arab Emirates** in our centre by Dato' Dr KC Tan
2007	**First** private medical centre to successfully perform the **100th** LDLT in **Asia**
2009	**Listed on the Australian Securities Exchange ("ASX")**, stock code **AJJ**
2010	**First** healthcare company in **Singapore** to use remote patient monitoring devices for the Intensive Care Unit
	Established its **first** satellite clinic, which incorporated **telemedicine** services, in **Ho Chi Minh City, Vietnam.**
2011	**Entered into a Management Services Agreement with Parkway Hospitals** to co-manage Gleneagles Hospital's liver diseases clinical program.



2012

Signed Service Agreement with UPMC, a top Global Healthcare Enterprise based in Pittsburgh, U.S.

First private medical centre to successfully perform the 200th LDLT in Asia

Signed Consultancy Agreement with **iHEAL Medical Services** to practice at iHEAL Medical Centre in **Kuala Lumpur, Malaysia.**

2013

Established **Haematopoietic Stem Cell Transplant centre** which offers treatment for other blood related diseases.

Signed Service Agreement with **Vinmec International Hospital** to set up a liver clinic in **Hanoi, Vietnam**

Successful placement of 21,000,000 new shares to **RusSing Med Holdings.**

Creation of new brand corporate identity, renamed **Asian American Medical Group ("AAMG")**

2016

Successful placement of 57,000,000 new shares to a group of sophisticated investors

Opening of the **Pinlon Gastrointestinal & Liver Centre** ("PGLC") in Yangon, Myanmar.

Signing of a **Services Agreement** between AARO and **Japan's Jisenkai Medical Corporation Aizawa Hospital** following an earlier MOU.

Signed **Collaboration Agreement with the Tunku Laksamana Johor Cancer Foundation** to jointly assess the feasibility of setting up a cancer research and treatment centre in Johor, Malaysia.

2015

Successful placement of 30,000,000 new shares to a group of sophisticated investors

Set up a Radiation Oncology division, **Asian American Radiation Oncology Pte Ltd ("AARO")**, led by Dr Daniel Tan Yat Harn

Entered into agreement with **Rich Tree Land** to provide Consultancy Services as Project Lead Manager for proposed **Zhuhai-Singapore Life Science Park** in Zhuhai, China

Entered into a **Conditional Sale and Purchase agreement** to acquire **60% of Rich Tree Land for S$19.6 million**

Signing of a **Memorandum of Understanding ("MOU") between AARO and Hwa Koon Engineering**, a specialist contractor in the healthcare industry, focusing on turnkey project design and building services with expertise in radiation shielding and bunker construction to explore collaborations in Asia

Signing of an **MOU between AARO and Jisenkai Medical Corporation Aizawa Hospital**, a private general hospital based in Matsumoto in Nagano Prefecture, Japan which operates a comprehensive cancer centre equipped with a proton beam therapy ("Proton Therapy") facility to explore opportunities for the establishment of Proton Therapy services in Singapore and Southeast Asia.

2014

Signed a Joint Venture agreement with Pinlon Hospital and 30th Street Clinic in Yangon, Myanmar to establish the **first** premier liver centre based in Pinlon Hospital to provide treatment for liver diseases chairman's message

Dato' Dr Kai Chah Tan
Executive Chairman

Dear Shareholders,

On behalf of the Board of Directors ("the Board") of Asian American Medical Group ("AAMG" or "the Group"), I am pleased to present to you our annual report for the financial year ended 31 August 2016 ("FY2016").

BUSINESS REVIEW
Singapore remains the leading medical destination in Southeast Asia for high-quality care and complex treatments. Still, staying ahead of the competition has become increasingly challenging for healthcare providers in Singapore for several reasons.

One, there has been a general slowdown in foreign patient traffic to Singapore. This is partly due to the weakening of currencies such as the Malaysian ringgit and the Indonesian rupiah against the Singapore dollar. The relative strength of the Singapore dollar has meant higher prices for patients from neighbouring countries in need of treatment here, and has even deterred some of them from coming to Singapore.

Two, countries in the region have made notable progress in medical care. Our neighbours have invested substantially in improving their healthcare infrastructure, delivery standards and expertise. The tourism authorities in Thailand, Malaysia and India are also actively promoting their own countries as medical tourism hubs.

Amid these challenges, Singapore-based AAMG has stepped up efforts to offer greater value to patients and expand into other geographical markets. For our liver segment, we have officially established a footing in Myanmar with the opening of Pinlon Gastrointestinal & Liver Centre ("PGLC") and in Southern Peninsular Malaysia, we are looking to set up a liver clinic at Gleneagles Medini Hospital in Johor by the first half of 2017. I will elaborate on these later.

As announced last year, we introduced a radiation oncology practice, run by AARO, under the leadership of Dr Daniel Tan. In July 2016, AARO signed an agreement with Jinsenkai Medical Corporation Aizawa Hospital to provide proton therapy services in Japan. In Singapore, we intend to scale up AARO by growing our local clinical practice and building a bigger team, which can also assist with our projects overseas.

FINANCIAL PERFORMANCE
Against the backdrop of a more competitive operating environment, our turnover in FY2016 fell 16.1% to S$17.1 million from S$20.4 million the previous year. This was mainly due to a decline of S$3.9 million in revenue from AALC, our biggest revenue driver.

AALC successfully carried out 13 Living Donor Liver Transplants ("LDLTs") in FY2016, compared to 11 in the previous year. Despite the increase, AALC saw a decline in other activities in FY2016.

There was a decline of $0.7 million in revenue from our management and consultancy business following the termination of our project lead contract in Zhuhai, China. These declines were partially offset by a S$1.1 million revenue increase in our radiation oncology business.

Our diversification into radiation oncology has started to yield results. AARO made a profit of S$4,000 in its first full year of operation on the back of a turnover of S$1.1 million. We expect AARO to remain profitable. For FY2016, we incurred a net loss of S$2.1 million, compared to a net profit of S$0.6 million for the previous financial year.

TAKING STOCK

While we are clear on our strategic objectives and how to go about achieving them, we are also mindful that the initiatives we have put in place will take time to bear fruit. We are fortunate enough to have a sound balance sheet, which enables us to execute our plans.

We successfully raised A$5.7 million in FY2016 through a placement of 57 million new shares. The exercise was meant to partly fund the acquisition of a 60% stake in Rich Tree Land Pte Ltd, a special purpose vehicle created to build the Zhuhai-Singapore Life Sciences Park. However after careful deliberation, we decided to terminate the acquisition. We will use the placement proceeds for our other growth initiatives.

REGIONAL EXPANSION

We have been actively expanding outside Singapore in the last few years, leveraging on our longstanding partnership with the University of Pittsburgh Medical Centre ("UPMC"). UPMC is a pioneer in the field of solid organ transplantation and ranks No. 12 on the U.S. News & World Report Honor Roll of American's Best Hospitals.

Our idea for a dedicated centre to tackle the rising incidence of liver disease in Myanmar had been a long time in the making, but only became possible after international sanctions were lifted. We seized the opportunity and officially opened the country's first dedicated gastrointestinal and liver centre PGLC, on 6 March 2016 in collaboration with Pinlon Hospital and Yangon's famous 30th Street Clinic.

Our vision for PGLC is that it will become Myanmar's premium liver and gastrointestinal centre, much like AALC in Southeast Asia. According to a 2015 survey by healthcare officials, an alarming 3.3 million people in Myanmar suffer from Hepatitis B, while another 1.3 million are affected by Hepatitis C. These conditions are the most common local causes of liver cirrhosis and cancer.

PGLC has also introduced monthly sessions for patient consultation. Led by Professor Khin Maung Win – one of Myanmar's top hepatologists and academics – the centre offers treatments, endoscopies and specialised surgical procedures for adult and paediatric patients.

AARO has an ongoing contractual agreement with Pinlon Hospital to provide clinical and management services to the Pinlon Cancer Centre ("PCC"), as well as exchange best practices. Through this agreement, which renews on a yearly basis, we will develop PCC into a modern cancer centre. AARO will provide PCC with clinical training and supervision, and share its expertise in oncology operations and care.

AARO has been engaged by Russian healthcare group RussingMed to provide management, consultancy and clinical support services to its subsidiary Medscan. AARO will focus on comprehensive cancer care development, radiotherapy and chemotherapy treatments to help Medscan set up a cancer centre for patients in Moscow. With this collaboration, Medscan also intends to expand throughout the Russian Federation.

In Malaysia, we are in the final stages of expanding a liver clinic in Gleneagles Medini Hospital, Johor Bahru. Similar to our arrangement at iHEAL Medical Centre, located in Kuala Lumpur, I will personally provide monthly consultations to patients seeking liver treatments and surgical procedures. However, unlike iHEAL Medical Centre, more surgical procedures can be carried out at Gleneagles Medini Hospital because of its proximity to Singapore. In addition, Gleneagles Medini Hospital will also capture Indonesian patients with liver problems from Sumatra and the Riau Islands, which are a short ferry ride away with no exit tax.

By ramping up our activities in Malaysia, we hope to recapture local patients as well as incoming patients from Indonesia and the wider Southeast Asia region. This local presence will help us strengthen our foothold in the Malaysian market, where we have established collaborations with organisations such as the Tunku Laksamana Johor Cancer Foundation.

COLLABORATION WITH THE TUNKU LAKSAMANA JOHOR CANCER FOUNDATION ("TLJCF")

We have a partnership with the Tunku Laksamana Johor Cancer Foundation ("TLJCF") to explore the feasibility of setting up the region's first integrated oncology centre, to be located in Johor, southern Malaysia. TLJCF was officially launched on 6 August 2016 by His Royal Highness Sultan Ibrahim Sultan Iskandar of Johor.

TLJCF was established in June 2015 by the late Prince of Johor, His Highness Tunku Abdul Jalil, after he was diagnosed with liver cancer. It aims to provide relief and care to cancer patients and their families as well as promote research and awareness, counselling and related activities.

According to official estimates, about 100,000 Malaysians suffer from cancer each year and an estimated one in four will suffer from cancer by the age of 75. Beyond clinical treatments such as chemotherapy and radiotherapy, the centre aims to be the region's first to offer integrated oncology support to provide holistic care for the cancer patient's body, mind and soul. There will also be a centre for wellness and cancer prevention, targeted at cancer survivors.

We are currently working closely with TLJCF and UPMC to conduct the feasibility studies for this exciting and meaningful project before we can progress to the next stage.

TEAM UPDATES

Mr Kong Meng Ang was appointed as Non-Executive Director of AAMG on 22 February 2016. He has 40 years' experience in finance and accounting, and is the founder and partner at Ang & Co., an independent accounting and business advisory firm established in 1980.

We would also like to extend our gratitude to Mr Wing Kwan Teh who stepped down as a Non-Executive Director on 11 January 2016.

On behalf of the Board, I would also like to convey my appreciation to all shareholders for your loyalty and support, and to AAMG's management team and staff for the hard work.

Dato' Dr Kai Chah Tan
Executive Chairman

profile of board of directors

>>
Dato' Dr Kai Chah Tan
Executive Chairman
D.P.M.P., MBBS (MAL), FRCS (EDIN), FAMS

<<
Mr Evgeny Tugolukov
Non-Executive Director
B Econ

Dato' Dr Kai Chah Tan serves as the Executive Chairman of AAMG. He is also the Executive Chairman of Asian American Liver Centre Pte Ltd ("AALC") and the Director of Asian American Medical Group Inc. ("AAMG Inc"), Asian American Radiation Oncology Pte Ltd ("AARO") Asian American Medical Group Pte Ltd ("AAMG PL") and Million Health Ventures Pte Ltd ("MHV"), all of which are subsidiaries of AAMG. Dr Tan is the Lead Surgeon (Hepatobiliary/Transplant) of AALC.

Dr Tan graduated from the University of Malaya in 1978 and obtained his Surgical Fellowship from the Royal College of Surgeons, Edinburgh in 1982. From 1984 to 1987, he obtained advanced training in paediatric surgery in Manchester and Southampton, U.K. and further training in paediatric hepatobiliary surgery and liver transplant surgery at King's College Hospital ("KCH"), London. Dr Tan was Consultant Liver Surgeon at KCH and taught surgery at the University of London from 1988 to 1994.

Pioneering various liver transplant procedures in the U.K. for both adults and paediatric patients - from the first 'split-liver' transplant and the first auxiliary liver graft to five liver-kidney and one heart-liver transplants - Dr Tan has received many accolades from his peers, patients and their families alike.

With more than 400 liver transplant procedures in the U.K. under his belt, Dr Tan set up his practice, the Asian Centre for Liver Diseases & Transplantation ("ACLDT"), in Gleneagles Hospital, Singapore in 1994. Dr Tan was also appointed the Director of the Liver Transplant Programme, National University Hospital ("NUH"), Singapore from 1995 to 2002.

In April 2002, the first successful adult-adult LDLT in Southeast Asia was performed in Gleneagles Hospital, Singapore. Dr Tan and his team have successfully performed more than 200 LDLTs - the only private centre in Southeast Asia to reach this historical milestone. He has published extensively, including co-editing a textbook on 'The Practice of Liver Transplantation', and lectured on the subjects of hepatobiliary and liver transplantation surgery.

Mr Evgeny Tugolukov holds a degree in Economics and Enterprise Management from the Ural State Technical University ("USTU") in Russia. He is the President and Founder of RusSing Holdings Pte Ltd ("RusSing") which was founded to create more links between Russia and Singapore/Southeast Asia to create new business visions and ideas and as well as strengthen cultural interstate communications.

Mr Tugolukov has over 20 years' worth of rich entrepreneurial background in various business fields. Under his management, several sizeable holdings were created, including one of Russia's largest power machine-building companies, PJSC EMAlliance. He is currently involved in industries such as agriculture, natural resources, healthcare and real estate development. Having established a successful track record in the business field, Mr Tugolukov became and is currently an Honorary Business Representative of International Enterprise Singapore in Russia and Ukraine.

Mr Tugolukov was appointed as Non-Executive Director of AAMG on 3 June 2013 and is also a member of the Nomination and Remuneration Committee.

<<
Mr Kong Meng Ang
Non-Executive Director
FCA (S'pore), FCCA (UK)

>>
Mr Heng Boo Fong
Independent Non-Executive Director
B Acc (Hons)

Mr Kong Meng Ang is the founder and Partner at Ang & Co., an independent accounting and business advisory firm established in 1980, and has 40 years of experience in finance and accounting.

Mr Ang graduated from the National University of Singapore with a Bachelor of Accountancy in 1976. Mr Ang is a fellow and practising member of the Institute of Singapore Chartered Accountants ("ISCA") and a fellow member of the Association of Chartered Certified Accountants (United Kingdom) ("ACCA").

Mr Ang is also an accredited tax advisor (Income Tax, GST) from the Singapore Institute of Accredited Tax Professionals.

Mr Ang Kong Meng was appointed as Non-Executive Director of AAMG on 22 February 2016.

Mr Heng Boo Fong is an Independent Non-Executive Director and is also the Chairman of the Audit Committee and Nomination and Remuneration Committee of AAMG.

Mr Fong studied at the University of Singapore (now known as National University of Singapore, "NUS") and graduated with an Honours Degree in Accountancy. He has over 42 years of working experience in auditing, finance, business development and corporate governance.

He was with the Auditor-General's Office, Singapore, from 1975 to 1993. He held the appointment of Assistant Auditor-General when he left the Auditor-General's Office. He was also General Manager (Corporate Development) of a listed company in Singapore as well as the Chief Financial Officer of a listed company in Australia. His other professional experience includes membership of Audit Committees of Statutory Boards and Advisory Committees of the School of Accountancy of Nanyang Technological University, Singapore and Ngee Ann Polytechnic, Singapore. Mr Fong was a Fellow Member of the Institute of Singapore Chartered Accountants. He was a council member of the then Institute of Certified Public Accountants of Singapore ("ICPAS") (now known as Institute of Singapore Chartered Accountants ("ISCA")) and was awarded a silver medal by ICPAS in 1999.

Mr Fong is also presently an Independent Director of three companies listed on the SGX-ST, which are Colex Holdings Limited, CapitaRetail China Trust Management Limited and Sapphire Corporation Limited.

profile of board of directors

>

Mr Paul Vui Yung Lee
Independent
Non-Executive Director
B Bus (MIS)

>>

Ms Jeslyn Jacques Wee Kian Leong
Independent
Non-Executive Director
FCCA (UK)

Mr Paul Lee has over 20 years' experience in business development, quality control and cost management. He has been serving on a few boards of companies in Malaysia and Australia. He has broad experience in diverse industries and international businesses such as public utilities infrastructure construction, building materials, property development, and oil palm plantations. With a Business Degree from Edith Cowan University in Perth and strong analytical skills, he has aided companies in identifying and implementing strategic growth opportunities.

Mr Lee was appointed to the Board on 31 January 2013. He is a member of the Nomination and Remuneration Committee and Audit Committee.

Ms Jeslyn Leong is a Fellow of the Association of Chartered Certified Accountants (United Kingdom) with 25 years of extensive experience in the field of corporate finance, which included tenure as a Financial Accountant of Teys Australia Pty Ltd, Australia's leading beef processor and exporter.

Ms Leong joined AAMG as an Independent Non-Executive Director on 1 January 2012. She is currently an Accountant with Orrcon Steel, a wholly-owned subsidiary of BlueScope Steel Limited (listed in Australian Securities Exchange, "ASX"), a leading Australian distributor and manufacturer of steel, tube and pipe. In this role, she obtained extensive experience in manufacturing management.

She is also presently an Independent Director of Six Senses. Six Senses Mountain Resort has been listed as one of the top 10 iconic Australian holiday homes.

<<
Dr Kang Hoe Lee
Respiratory Physician & Intensivist
(Critical Care & Liver Transplant)
MA (UK), MBBChir (UK), MRCP (UK),
FRCP (EDIN), FAMS (SIN), EDIC (EUR)

>>
Dr Daniel Yat Harn Tan
Radiation Oncologist & Medical Director
(Stereotactic Radiosurgery (SRS/SBRT), Brain
and Spine, Breast and Prostate Cancers
MBBS (SIN), FRCR (Clinical Oncology, UK),
FAMS (Radiation Oncology)

Dr Lee Kang Hoe graduated from University of Cambridge, U.K. He was a scholar at Jesus College, Cambridge and a recipient of the Duckworth Prize. He also received support from Kuok Foundation, Malaysia for his medical studies. Dr Lee interned with Professor Sir Roy Calne at Addenbrooke's Hospital and finished his general medicine training at Cambridge before coming to Singapore. In 1990, he joined the Department of Medicine at the National University Hospital ("NUH"), Singapore. Dr Lee completed his Fellowship in Critical Care Medicine at the UPMC in U.S. from 1993 to 1995, and was awarded Fellow of the Year in 1994. From 1994 to 1995, Dr Lee performed research with Professor Michael Pinsky at UPMC on acute lung injury.

On his return to Singapore, Dr Lee joined the National University of Singapore ("NUS") as a Lecturer in Medicine and was promoted to Associate Professor. He was also the Medical Director of the ICU at NUH, where he started the liver dialysis programme in 2000.

Dr Lee was with NUS until 2005 when he joined Gleneagles Hospital, Singapore as Director of the ICU. Since then, he has been working together with the ACLDT, now known as AALC. Dr Lee has expanded the liver dialysis programme to include other devices, and also helped set up the dedicated liver ICU where he has been active in the management of liver failure and liver transplant patients.

Dr Lee was one of the founding members of the Society of Intensive Care Medicine and was also a previous member of the Specialist Training Committee for Intensive Care Medicine and Respiratory Medicine.

He has published extensively in the areas of critical care and liver transplant, and has also been involved in various research protocols together with scientists at NUS and A*STAR in Singapore.

Dr Daniel Tan Yat Harn is the consultant radiation oncologist and medical director of Asian American Radiation Oncology ("AARO"). He also helms the clinical unit of AARO, which provides sub-specialty radiation oncology and clinical expertise in advanced radiation techniques to local and regional patients.

After graduating from the NUS in 2002, Dr Daniel Tan was awarded a Health Manpower Development ("HMDP") fellowship by Ministry of Health ("MOH") Singapore in 2008. He then went on to obtain another fellowship in 2011 at the Royal College of Radiologists, U.K. and subsequently was awarded another HMDP Award for training in Brachytherapy, Stereotactic Radiosurgery and Body Irradiation ("SRS/SBRT") by MOH Singapore in 2012. He was admitted as a Fellow of the Academy of Medicine, Singapore ("FAMS"), Chapter of Radiation Oncology in 2012.

Dr Daniel Tan's research interest involves the study of the use and evaluation of stereotactic radiosurgery ("SRS") and stereotactic body radiation therapy ("SBRT") in benign and malignant tumours of the brain and spine. Together with his mentors, he developed the Novalis Brain Stereotactic Radiosurgery Program at the National Cancer Centre Singapore ("NCCS") and subsequently developed the Novalis Spine Stereotactic Radiosurgery Program after returning from abroad.

He was the national project coordinator for the International Atomic Energy Agency's ("IAEA") project involving efforts to train and develop SBRT, an advanced radiation technique, in countries within the Asia-Pacific Region. He was Course Director for the first regional training course in SBRT in 2012, and in 2014, he was invited to IAEA as an expert consultant in preparation for the second phase of this regional project.

Dr Daniel Tan's work has been presented at major international conferences, and speaks frequently on his research subjects in regional meetings. He has written and published in research journals on the subjects of neuro-oncology, SRS and SBRT.

Dr Daniel Tan was the Co-Chairperson of the Neuro-Oncology Cancer Service Line Development workgroup in NCCS and Clinical Lecturer at the Yong Loo Lin School of Medicine at NUS. He serves as an executive committee member of the Singapore Radiological Society and as a council member of the College of Radiology Singapore, and was the organizing chairman of their 24th Annual Scientific Meeting and the event RadiologyAsia 2015. He is currently pursuing his MBA in Healthcare Management at NUS because he believes that good medicine depends on good management.

profile of doctors and key management

\>
Mr Cherinjit Shori
Group Chief Operating Officer
B Acc, PGDip Marketing & Healthcare

\>>
Mr Meng Yau Yeoh
Group Chief Financial Officer
FCA (S'pore), FCCA (UK), CA (M'sia)

\>>>
Angela Choong
Chief Commercial Officer
CA (S'pore), FCMA (UK)

Mr Cherinjit Shori has held the position of Group Chief Operating Officer at the Asian American Medical Group (AAMG) since 2009. He is responsible for the company's marketing, business development and operations.

Prior to joining AAMG, Mr. Shori was the Group Vice President/Deputy Chief Marketing Officer for Parkway Pantai where he served for 10 years in strategic marketing, business development and regional expansion to increase the market share for its group of hospitals in Singapore.

In total, Mr Shori has more than 20 years' experience in the healthcare and hospitality industries covering business development and marketing in various companies, including Sun Cruises and Sembawang Leisure (a subsidiary of Sembawang Corporation).

He holds a Bachelor of Accountancy degree from Nanyang Technological University in Singapore as well as a Graduate Diploma in Marketing from the Singapore Institute of Management and a Certificate in Healthcare Management from Georgetown University, U.S.

Mr Shori has also been invited to speak at international conferences such as Internationale Tourismus-Börse Berlin (ITB Berlin) Conference, where he shared his experience in the future of global medical tourism.

Mr Meng Yau Yeoh obtained his professional accounting qualification from the Association of Chartered Certified Accountants (United Kingdom) ("ACCA") in 1994 and has over 20 years of working experience in auditing, finance and business development.

He started his career at the then KPMG Peat Marwick in 1995 and left as an Audit Senior in 1998. After spending four years in the Big 4 audit firm, Mr Yeoh spent the decade spanning 1999 to 2009 working in senior positions in several listed and privately owned companies involved in a wide range of industries ranging from property development, construction, information technology and investment holdings to service and hospitality in Singapore, Malaysia and Australia. During that period, he was involved in two successful main board Initial Public Offerings in Singapore, as well as listing exercises and trade sales in Germany and U.K.

Mr Yeoh is a Fellow Member of the Institute of Singapore Chartered Accountants ("ISCA"), Fellow Member of the ACCA and a Chartered Accountant registered with the Malaysian Institute of Accountants ("MIA"). He joined AAMG as Group Financial Controller in December 2009 and was subsequently appointed as Group Chief Financial Officer in March 2013.

Ms Angela Choong joined AAMG as Chief Commercial Officer in August 2015 to head the newly established Commercial Division, with her key responsibilities being project management and commercial.

Prior to joining AAMG, Ms Choong held the positions of finance director and regional financial controller with a European MNC in manufacturing. She has over 25 years of regional business partnering experience with a strong track record of finance, risk management, management of new factory construction projects, and implementation of business improvement projects across China, Taiwan, Hong Kong and Southeast Asia.

Ms Choong holds a professional accounting qualification from Chartered Institute of Management Accountants in the U.K. ("CIMA"). She is a fellow member of ISCA (Singapore) and fellow member of CIMA.

financial review

Year ended 31 August	2016 S$'000	2015 S$'000	Changes %
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
Total share capital and reserves	12,111	8,476	42.9
	2016 S Cents	**2015 S Cents**	
Basic (loss)/earnings per share			
- Continuing operations	(0.74)	0.49	
- Discontinued operations	-	(0.22)	
Net asset value per share	4.07	3.55	
Net tangible asset value per share	3.98	3.43	

n.m – not meaningful

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. 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 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 dialyses 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 LDLTs, 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 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 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 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 break even with a Net Profit of S$4,000 in its first full year of operations.

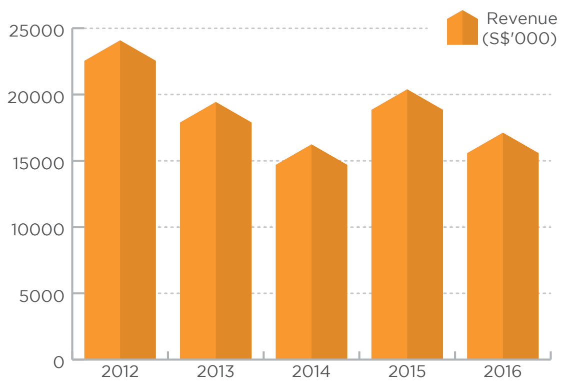
Management and Consultancy segment

After careful deliberation and on the advice of 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.

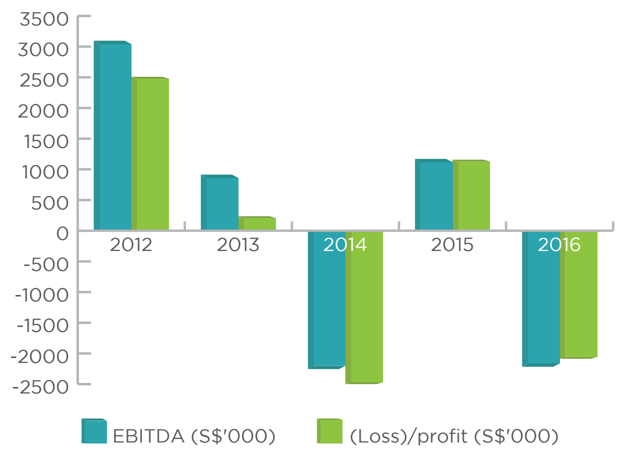
As a result of the discontinuation of the Zhuhai project, AAMG's Management and Consultancy segment saw a decrease in activities in the last quarter of FY2016, resulting in a 54.1% decrease in revenue from S$0.8 million in FY2015 to S$0.4 million this year.

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 projects 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.

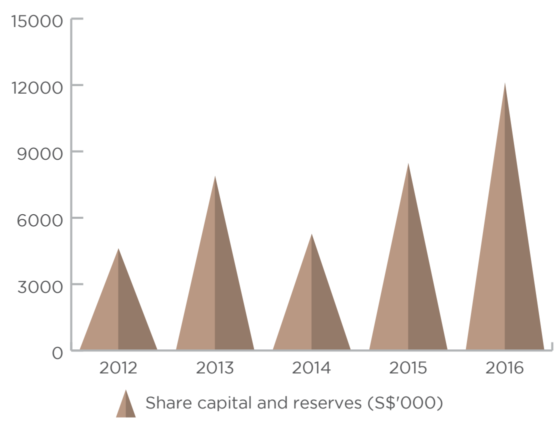
REVENUE



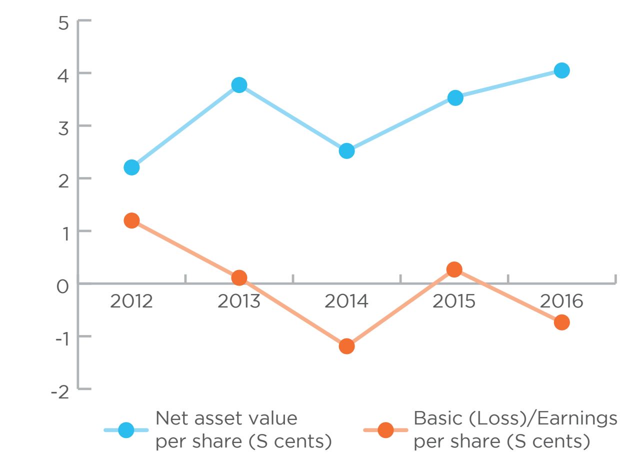
EBITDA AND PROFIT/(LOSS) AFTER TAX



SHARE CAPITAL AND RESERVES



EPS AND NAV



Review of Financial Position

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

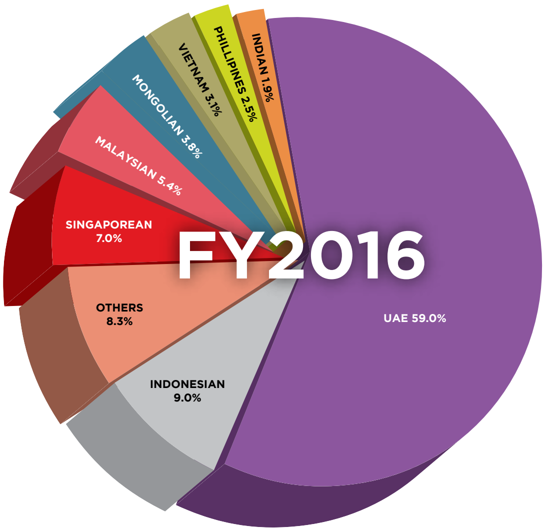
Significant changes during the year under review were:

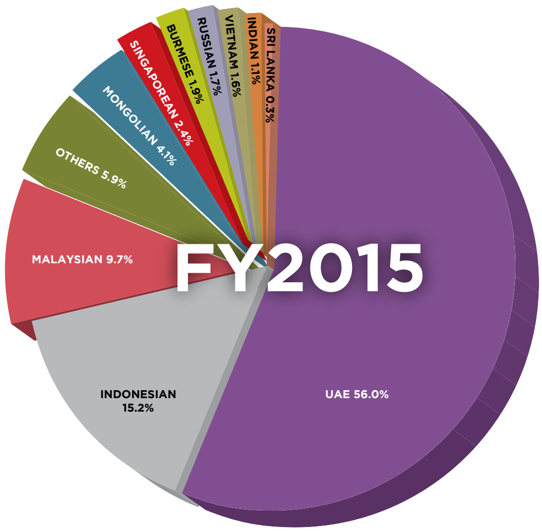
a) Increase in cash and cash equivalents by S$5.1 million to S$11.3 million due mainly to net proceeds from the placement of new shares during the year;

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 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.

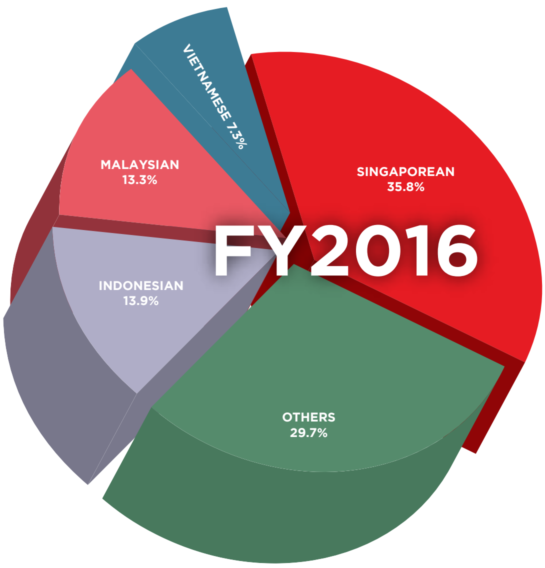




Patient nationality mix for liver segment

Patients from the UAE accounted for a third of all patients in FY2016, compared to roughly a quarter of all patients in FY2015. The revenue contribution from UAE patients made up an even higher proportion and continues to be significant in FY2016, contributing 59.0% of AALC's overall revenue, a marginal increase from 56.0% last financial year. This is due to the fact that UAE patients made up the majority of AALC's transplant cases, with ten out of the 13 cases being UAE patients.

Patients from Indonesia, Singapore and Malaysia continue to form the balance of the majority of our liver segment's core patients, with a combined total of 46.0%.



Patient nationality mix for radiation oncology segment

Most of AARO's patients are currently local Singaporeans. They made up 35.8% of the total patient transactions for the financial year and contributed 44.7% of the total clinical revenue. Patients from Indonesia and Malaysia made up a quarter of AARO's other patient nationalities.

patients testimonials

Liver

– A daughter's love

In 2010, my mother, Najwa Qarni Bayoomi, was diagnosed with liver cirrhosis. She visited the doctors regularly and took medication to slow the progression of the disease. The doctors advised that it would someday progress to a point where she would need a liver transplant. A few years later, my mother's condition deteriorated. She began suffering from the accumulation of 7 to 10 kilograms of ascitic fluid in her abdomen. She was tired just from walking around, and it was difficult for her to do simple housework. She also experienced headaches and other symptoms, which intensified over time.

We learnt about the treatment at Asian American Liver Centre ("AALC"), Singapore from our doctor in UAE, who highly recommended that my mother undergo the liver transplant with Dr KC Tan. I read about Dr Tan online and was amazed. Reading about this internationally-renowned, highly experienced doctor gave me confidence in his skills, treatment methods and the way he deals with his patients.

My mother was initially hesitant to undergo the operation as she refused to receive a partial liver graft from one of her children. She is not the kind to make snap decisions. However, she slowly opened up to the idea of a liver transplant after our doctor in UAE introduced her to fellow patients and donors who had undergone successful operations.

As her daughter, I wanted to be her donor. My mother suffered bringing up all her children, having gone through 13 pregnancies for me and my 12 siblings. Naturally, we are all very indebted to her. To prepare for the operation, I started to exercise, lose some fat and get in shape.

The medical team and administrators at AALC were very helpful and welcoming, and had an excellent attitude. They arranged the operation in February 2016, which was faster than I expected. A separate team took care of everything before and after the transplant, which only left us with the paperwork. This, especially with the steps taken to ensure our human rights were protected, made us feel safe and well cared for. Frankly, I was scared when they explained the many potential side effects of the operation.

Fortunately, everything went smoothly and my mother and I experienced minimal side effects. We didn't expect her to be discharged 20 days after the transplant, which is faster than most patients. Her recovery after the operation also went well.

On the day of our discharge, I felt really good. There was some pain, but it was minor and I was able to move about. My mother has also been feeling a lot better and the earlier symptoms have started to disappear. She now feels 'lighter' and is able to work and move unaided. I am now in good health, possibly even better than before, because I feel fresher and lighter.

I am very happy that my mother is well again. Given the chance, I would highly recommend that my fellow patients seek treatment here.

Najwa Qarni Bayoomi *(front)* with children. Fatema Saeed *(donor, middle)*. 18 March 2016

Radiation Therapy

– A cancer survivor's story

I came to Dr Daniel Tan for Stereotactic Body Radiation Therapy ("SBRT") after researching treatment options for my liver metastases. Dr Daniel Tan was very friendly and patient in explaining the treatment to me. It really helped to calm my fears when I was undergoing my treatment. I would like to thank the staff for the assistance and care given to me.

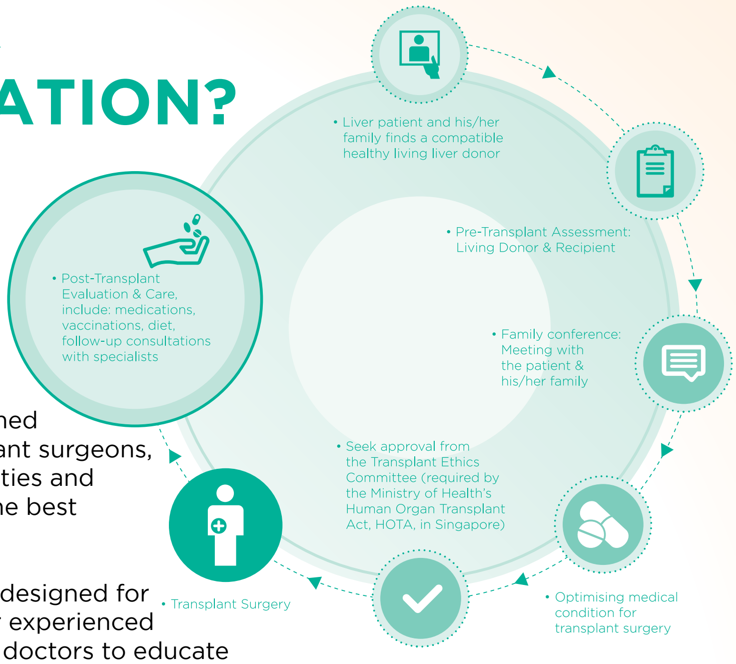
Nguyen Van Ha

WHAT IS LIVING DONOR LIVER TRANSPLANTATION?

Living donor liver transplantation ("LDLT") is a procedure that involves a living donor giving a portion of his or her liver to a family member or close friend in need of a liver transplant.

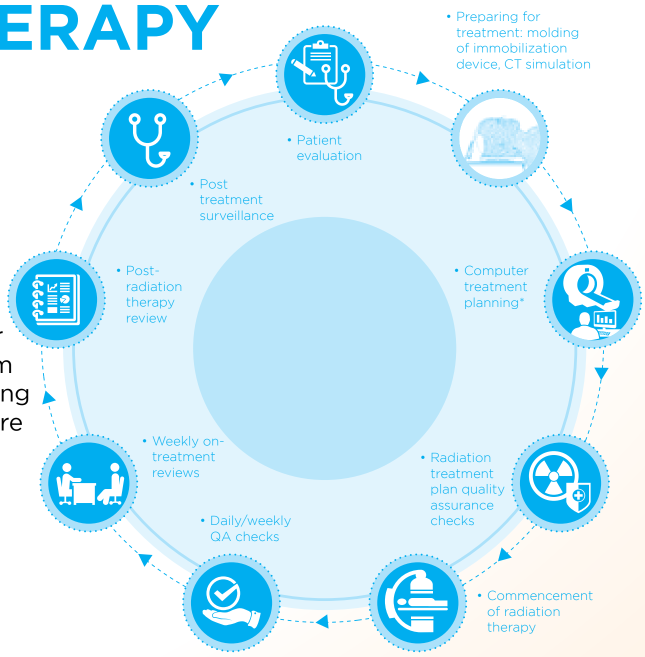
The LDLT procedure at AALC is performed by an experienced team of liver transplant surgeons, supported by the most up-to-date facilities and seamless post-surgery care to ensure the best clinical outcome for patients.

At AALC, the LDLT Journey is specially designed for the best possible clinical outcomes. Our experienced transplant coordinators work alongside doctors to educate and guide patients, donors and their families through every step of the journey.



THE RADIOTHERAPY JOURNEY

The radiotherapy process involves a number of complex steps and a patient may be recommended different procedures or sequences. At AARO, our radiation oncologist leads a clinical team of physicists and dosimetrists in providing the best possible treatment and aftercare for the patient.



* Computer Treatment Planning includes:
- Target and normal tissue delineation
- Radiation dose and fraction prescription
- Beam placement and dose distribution optimization
- Radiation treatment plan assessment and approval

corporate governance statement

The Board of Asian American Medical Group Limited ("AAMG") seeks to practise the highest ethical and commercial standards while executing its responsibilities in directing the business and affairs of the Company on behalf of its shareholders.

The Board of AAMG has considered the principles of good corporate governance and best practice recommendations as published by the ASX Corporate Governance Council ("ASXCGC"). ASX Listing Rule 4.10.3 requires the Company to disclose the extent to which it follows or diverges from these best practice recommendations in its Annual Report.

This report discloses corporate governance practices the Board would like to highlight to stakeholders.

Additional information relating to corporate governance practices that the Company has adopted can be found on the Company's web site: www.aamg.co.

THE ROLE OF THE BOARD & MANAGEMENT

The Company has formalised and disclosed the roles and responsibilities of the Board and those delegated to senior management.

The Board of the Company is responsible for the overall corporate governance of the AAMG, including its ethical behavior, strategic direction, establishing goals for management and monitoring the achievement of those goals with a view to optimising Company performance and maximising shareholder value.

The role of management is to support the Executive Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

Full details of the matters reserved to the Board and to senior management are available on the Company's web site at www.aamg.co.

Scheduled meetings of the Board are held at least four times a year and the Board meets on other occasions to deal with matters that require attention between scheduled meetings. The responsibility for the operation and administration of the consolidated entity is delegated by the Board to the senior management.

The Board is responsible for:

- Setting the strategic direction of the Company and establishing goals to ensure these strategic objectives are met;
- Appointing the senior management, setting objectives for the senior management and reviewing performance against those objectives, ensuring appropriate policies and procedures are in place for recruitment, training, remuneration and succession planning;
- Monitoring financial performance including approval of the annual and half-yearly financial reports and liaison with the Company's auditors;
- Ensuring that risks facing the company and its controlled entities have been identified ensuring that appropriate and adequate controls, monitoring and reporting mechanisms are in place;
- Receiving detailed briefings from senior management on a regular basis during the year;
- Approving the Boards of directors of subsidiary companies; and
- Ensuring the Company complies with the law and conforms to the highest standards of financial and ethical behavior.

AAMG has obligations to its stakeholders to ensure the Company is managed with appropriate due diligence and that all necessary processes are implemented to minimise risk and maximise business opportunities.

To this end, all commercial arrangements, capital expenditure, operational expenditure and other commitments are appropriately documented and have been authorised by either the Executive Director or the Board as appropriate.

The composition of the Board is determined in accordance with the Company's constitution and the following principles and guidelines:

- The Board should comprise of at least three directors with at least two non-executive directors;
- The Board should comprise of directors with an appropriate range of qualifications and expertise; and
- The Board should meet formally at least four times per annum and informally on an "as required" basis with all directors being made aware of, and having available, all necessary information, to participate in an informed discussion of all agenda items.

DIRECTORS IN OFFICE

At the date of this statement the following directors are considered independent by the Board:

Name	Position	Independent
Mr Heng Boo Fong	Non-Executive Director	Yes
Ms Jeslyn Jacques Wee Kian Leong	Non-Executive Director	Yes
Mr Paul Vui Yung Lee	Non-Executive Director	Yes

The skills, experience, expertise and tenure of each director are disclosed in the Directors' Report within this Annual Report.

DIRECTOR INDEPENDENCE

The Board considers three of AAMG's directors as independent under the guidelines.

In assessing the independence of directors, the Board follows the ASX guidelines as set out:

An independent director is a non-executive director (i.e. is not a member of management) and:

- Is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- Within the last three years has not been employed in an executive capacity by the Company or another Group member, or been a director after ceasing to hold any such employment;
- Within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided;
- Is not a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- Has no material contractual relationship with the Company or another Group member other than as a director of the Company;
- Has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company; and
- Is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

ASXCGC Recommendation 2.1 states that the majority of directors of the Company should be independent. Although currently AAMG does not comply with that recommendation, the Board is of the opinion that the current structure and composition of the Board is appropriate given the size and nature of operations of the Group.

Where additional skills are considered necessary for specific purposes, access is made to independent professional advice at the expense of the Company. Such advice is to be shared amongst the directors.

CHAIRMAN

Due to the size of the Company, Dato' Dr Kai Chah Tan is the Company's Chairman. While recognising that the ASXCGC recommends that the chairperson be independent, the Company feels that the strong independence exercised by the other Board members mitigates any negative impact on the Company that it may have.

APPOINTMENT TO THE BOARD

Where a casual vacancy arises during the year, the Board has procedures to select the most suitable candidate with the appropriate experience and expertise to ensure a balanced and effective board. Any director appointed during the year to fill a casual vacancy or as an addition to the current board, holds office until the next Annual General Meeting and is then eligible for re-election by the shareholders.

New directors receive a letter of appointment which sets out the terms of their appointment. On appointment, an induction programme is available to directors that include one-on-one sessions with members of the senior management team.

EVALUATION OF SENIOR EXECUTIVES

Senior executives, including the Group Chief Operating Officer, Group Chief Financial Officer or Chief Commercial Officer have a formal job description and letter of appointment describing their term of office, duties, rights, responsibilities and entitlements upon termination.

The performance of senior executives is reviewed annually before the budgets are approved for the next financial year. This process is a formal one with the executive's performance assessed against Company, division and personal benchmarks by the Nomination and Remuneration Committee. Benchmarks are agreed with the respective senior executives and reviews are based upon the degree of achievement against those benchmarks.

Induction procedures are in place to allow new senior executives to participate fully and actively in management decision-making. The induction program includes orientation of:

- The Company's financial position, strategies, operations and risk management policies.
- The respective rights, duties, responsibilities and roles of the board and senior executives.

ETHICAL BUSINESS PRACTICES

The Company has adopted a Code of Conduct to maintain confidence in the Company's integrity, its legal obligations and the expectations of its stakeholders. The Company is committed to being a socially responsible corporate citizen, using honest and fair business practices, to act in the best interests of clients so as to achieve the best outcome for shareholders.

The Board has procedures in place for reporting any matters that may give rise to unethical practices or conflicts between the interests of a director or senior executive and those of the Company. These procedures are reviewed as required by the Board. To this end, the Company has adopted a Conflict of Interest Policy that clarifies the processes for directors and senior executives to determine and disclose when a conflict of interest exists.

DIVERSITY POLICY

The Company values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Our recruitment processes encourage the development of diversity in our workplace, bearing in mind that employees must have the required skills to be successful in their positions.

In accordance with this policy and ASX Corporate Governance Principles, the Board has established the following objectives in relation to gender diversity. We currently meet our objectives but will continue to monitor and improve on our objectives to be in line with our Company's needs and direction. A written diversity policy has been developed by the Board to ensure gender diversity.

	Objective		**Actual**	
	Number	**%**	**Number**	**%**
Number of women employees in the whole organisation	18	75	19	76
Number of women in senior executive positions	2	29	2	29
Number of women on the Board	2	33	1	17

SHAREHOLDING AND TRADING

The Board encourages directors and senior executives to own shares in the Company to further link their interests with the interests of all shareholders. Trading of shares by directors or senior executives is prohibited under certain circumstances and as described in the ASX Listing Rules and during certain periods of the financial year. A director or senior executive must not deal in the Company shares at any time when he or she has unpublished information which, if generally available, might affect the share price. Directors are required to notify the Company Secretary following dealing.

SAFEGUARD INTEGRITY

The Board has established an Audit Committee ("AC") comprised of the three non-executive directors. This committee operates under a charter to enable it to perform its roles and responsibilities. Where considered appropriate, the Company's external auditors and the Company's management are invited to attend meetings.

The members of the AC are:

- Mr Heng Boo Fong (Chairman)
- Mr Paul Vui Yung Lee
- Ms Jeslyn Jacques Wee Kian Leong (appointed on 22 February 2016)

The qualifications of members of the committee together with their attendances at committee meetings are disclosed in the Directors' Report within this Annual Report.

The role of the AC is to assist the Board fulfill its responsibilities in relation to the identification of the areas of significant business risks and the monitoring of the following:

- Effective management of financial and other business risks;
- Reliable management reporting;
- Compliance with laws and regulations in respect to financial reporting;
- Maintenance of effective and efficient audits;
- Meeting with external auditors on a twice-yearly basis and informally as circumstances require; and
- Recommending to the Board the appointment, rotation, removal and remuneration of the external auditors, and review their terms of engagement, and the scope and quality of the audit. Periodically, the AC reviews the appointment of the external audit engagement partners using a formal process of evaluation to determine the most appropriate level of skills and experience to suit the size and complexity of the Company.

The AC provides the Board with additional assurances regarding the reliability of financial information for inclusion in the financial statements.

The committee is chaired by an independent chair who is not the chairman of the Board.

TIMELY AND BALANCED DISCLOSURE

The Board recognises the need to comply with ASX Listing Rule 3.1 concerning continuous disclosure.

At each meeting of directors, consideration is given as to whether notice of material information concerning the Company, including its financial position, performance, ownership and governance has been made available to all investors.

The Continuous Disclosure Policy also requires senior executives in possession of disclosable information to comply with that policy.

COMMUNICATION WITH SHAREHOLDERS

The Board aims to ensure that shareholders, on behalf of whom they act, are informed of all major developments affecting the Company's activities and its state of affairs, including information necessary to assess the performance of the directors.

Communication with shareholders is achieved through the distribution of the following information:

- The Annual Report distributed to shareholders;
- The Half Yearly Report which is available on the Company's web site;
- The Annual General Meeting and other meetings called to obtain shareholder approval for Board action as appropriate. Shareholders are encouraged to attend and participate at the Company's Annual General Meeting and other General Meetings;
- Letters to shareholders when considered to be appropriate and informative;
- Announcements to the Australian Securities Exchange; and
- Investor information through the Company's internet portal at www.aamg.co.

The Company strives to ensure that Company announcements via the ASX are made in a timely manner, are factual, do not omit material information and are expressed in a clear and objective manner.

SHAREHOLDERS' ROLE

The shareholders of the Company are responsible for voting on the election of directors at the Annual General Meeting in accordance with the constitution.

All directors (other than a Managing Director) are subject to re-election by rotation, no later than every three years.

The Annual General Meeting also provides shareholders with the opportunity to express their views on matters concerning the Company and to vote on other items of business for resolution by shareholders.

RISK MANAGEMENT

The Board is responsible for overseeing the risk management function. The Company believes that it is crucial for all Board members to be a part of the process and as such has established risk management as a component of the AC.

The Board is responsible for ensuring the risks and opportunities are identified on a timely basis.

The Board has a number of mechanisms in place to ensure the management's objectives and activities are aligned with the risks identified by the Committee. These include the following:

- Implementation of Board approved operating plans and budgets;
- Board monitoring of progress against these budgets, including the monitoring of key performance indicators of both a financial and non-financial nature; and
- The establishment of committees to report on specific risk as identified.

INTERNAL RISK MANAGEMENT SYSTEM COMPLIANCE

Management is accountable to the Board to ensure that operating efficiency, effectiveness of risk management procedures, internal compliance control systems and controls and policies are all being monitored. Management has designed and implemented a risk management and internal control system to manage the Company's material business risks and reports to the Board at each meeting on the effective management of those risks. The Company has developed a series of operational risks which the Company believes to be inherent in the industry in which the Company operates. These include:

- Changed operating, market or regulatory environments;
- Fluctuations in demand volumes;
- Fluctuations in exchange rates; and
- Increasing costs of operations.

These risk areas are provided here to assist investors better understand the nature of the significant risks faced by the Company.

MONITORING PERFORMANCE

The Board and senior management monitor the performance of all divisions through the preparation of monthly management accounts. The monthly management accounts are prepared using accrual accounting techniques and report each business unit's result as contribution after overhead allocation. These monthly management accounts are compared to monthly budgets, which have been set allowing for the seasonality of anticipated revenues and costs in each of the divisions.

The monitoring of the Company's performance by the Board and management assists in identifying the correct allocation of resources and staff to maximise the overall return to shareholders.

A performance evaluation for senior management was undertaken during the year and was in accordance with the process developed by the Board for that purpose.

Details of the structure of non-executive directors' and senior executives' remuneration are included in the Remuneration Report within the Directors' Report in this Annual Report.

NOMINATION AND REMUNERATION

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") is comprised of three non-executive directors. The members of the NRC are:

- Mr Heng Boo Fong (Chairman)
- Mr Paul Vui Yung Lee
- Mr Evgeny Tugolukov (appointed on 22 February 2016)

The qualifications of members of the committee together with their attendances at committee meetings are disclosed in the Directors' Report within this Annual Report.

The role of the NRC is to make decisions on the following matters:

- Determine the appropriate size and composition of the Board;
- Determine the terms and conditions of appointment to and retirement from the Board;
- Develop appropriate criteria for Board membership;
- Reviewing membership of the Board and proposing candidates for consideration by the Board;
- Arranging a review of the Board's own performance;
- Determine the Company's remuneration plans, policies and practices, including compensation arrangements for the non-executive directors, executive directors, Group Chief Operating Officer, Group Chief Financial Officer, Chief Commercial Officer and senior executives; and
- Responsible for considering general remuneration policies and practices, recruitment and termination policies and superannuation requirements.

The Board believes that it has the right numbers and skill sets within its Board members for the current size of the Company, and is confident that each non-executive director brings independent judgement to bear on Board decisions.

The Company does not have a policy to preclude its executives from entering into transactions to limit their economic risk from investing in Company shares, options or rights and has made executives aware of their obligations in relation to financial commitments against shares issued under the executive securities plan and has requested that they take sufficient professional advice in relation to their individual financial position.

There are no retirement schemes or retirement benefits other than statutory benefits for non-executive directors.

directors' report

The directors present their report, together with the financial statements of the Asian American Medical Group Limited ("the Group") for the year ended 31 August 2016.

DIRECTORS

The directors of the Group at any time during or since the end of the financial year are as set out below.

Dato' Dr Kai Chah Tan (Executive Chairman)
Mr Evgeny Tugolukov (Non-Executive Director)
Mr Kong Meng Ang (Non-Executive Director) (appointed on 22 January 2016)
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)
Mr Wing Kwan Teh (Non-Executive Director) (resigned 11 January 2016)
Ms Pamela Anne Jenkins (Non-Executive Director) (resigned 30 September 2015)

The skills, experience, expertise and tenure of each director are disclosed in the profile of directors section within the Annual Report.

Below is the profile of directors who are no longer in office:

Mr Wing Kwan Teh FCA (S'pore), FCCA (UK), IA (HKCPA), CA (M'sia) (resigned 11 January 2016)

Mr Wing Kwan Teh specializes in corporate restructuring, corporate finance and merger & acquisition.

Mr Teh is currently the Managing Director and Group CEO of Sapphire Corporation Limited ("Sapphire") (listed on the Main Board of the Singapore Exchange Securities Limited ("SGX-ST")) and under the new strategic direction of Mr Teh, Sapphire has undergone a major corporate restructuring exercise and successfully acquired the second largest privately-owned urban rail transit infrastructure group in China as part of his corporate turnaround strategies.

Mr Teh is also a Non-Executive and Non-Independent Director of Singapore eDevelopment Ltd (listed on Catalist of the SGX-ST and previously known as CCM Group Limited), an appointed Adviser to the Board of Koda Ltd (listed on the Main Board of SGX-ST), a sophisticated investor and a director of BMI Capital Partners Limited (Hong Kong). He was a Non-Executive and Non-Independent Director of Heng Fai Enterprises Limited (listed on the Hong Kong Stock Exchange) and he also served as appointed Audit Committee Chairman and Independent Director of other public companies listed on the SGX-ST. Mr Teh has had significant experience having been a professional in finance who have been advising companies listed in and prepared to list in Hong Kong, Singapore, Australia, Vietnam and Taiwan. Mr Teh is a nominated candidate for the Asia Pacific Entrepreneurship Awards 2015 (Singapore) under the Industrial and Commercial Products Industry.

Mr Teh is a Fellow Chartered Accountant of Singapore, Fellow Member of the Association of Chartered Certified Accountants (United Kingdom), an International Affiliate of the Hong Kong Institute of Certified Public Accountants, a Chartered Accountant of the Malaysian Institute of Accountants, a Full Member of Singapore Institute of Directors and a Member of Hong Kong Securities and Investment Institute.

Ms Pamela Anne Jenkins RGN, B Sc (Hons), MBA (resigned 30 September 2015)

Ms Pamela Anne Jenkins holds a Bachelor of Science (Honours) degree from University of East London, United Kingdom as well as a Master of Business Administration ("MBA") from Kingston University, United Kingdom. Ms Jenkins has wide experience in specialised nursing and healthcare management, covering neurosurgery, cardiothoracic surgery, vascular surgery, orthopaedic surgery, general surgery, microvascular surgery, eye surgery, plastic surgery, paediatric surgery, urology and renal transplantation, hepatobiliary and liver transplant surgery. She has also written conference papers on liver failure and liver transplantation, with special focus on paediatric liver diseases.

Ms Jenkins began her career in 1984 as an Operating Theatre Sister, KCH, London, and subsequently attained the position of Clinical Nurse Specialist and Department Manager at the hospital's Liver Transplant Surgical Service. In her latter role she was in charge of operating theatre staff, trainee nurses, administration, management of the unit and budgetary control.

After ten years at KCH, she relocated to Singapore in 1994 to establish AALC with Dr Tan, assuming the role of director of AALC. She was responsible for the design and development of the centre, implementation of management systems, and assisted in hepatobiliary and liver transplantation surgery. In 1997, she assumed the position of Managing Director where she oversaw the management and operations, budgetary control and strategic planning in liaison with the Executive Chairman and Founder, Dato' Dr Kai Chah Tan, a position she held until May 2015.

PRINCIPAL ACTIVITIES

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. 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. AABMTC's financial results up to the date of closure have been classified as "Discontinued Operations".

There has been no change in the principal activity of the Group during the financial year.

COMPANY SECRETARY

The following person held the position of company secretary at the end of the financial year:

Mr Dario Nazzari

Dario Nazzari has a Bachelor of Commerce, a Diploma in Financial Planning and has more than 19 years professional experience. He is a Chartered Accountant and a member of the Institute of Chartered Accountants.

REVIEW AND RESULTS OF OPERATIONS

Details of the Operations of AAMG during the year, the financial position and the strategies and prospects for the future years can be found in the Chairman's message found on pages 10 and 11 and Financial Review section on pages 17 to 19, which forms part of this Annual Report.

DIRECTORS' MEETINGS

The following table sets out the number of director's meetings (including meetings of Committees of directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, seven (7) Board meetings, two (2) Audit Committee meetings and three (3) Nomination and Remuneration Committee meetings were held.

	Directors' Meetings		**Audit Committee Meetings**		**Nomination and Remuneration Committee Meetings**	
	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended
Dato' Dr Kai Chah Tan	7	7	-	-	-	-
Mr Evgeny Tugolukov	7	7	-	-	2	2
Mr Kong Meng Ang ^	3	3	-	-	-	-
Mr Heng Boo Fong	7	7	2	2	3	3
Mr Paul Vui Yung Lee	7	6	2	2	3	3
Ms Jeslyn Jacques Wee Kian Leong	7	7	1	1	-	-
Mr Wing Kwan Teh *	3	3	-	-	-	-
Ms Pamela Anne Jenkins *	-	-	-	-	-	-

^Mr Kong Meng Ang was appointed on 22 January 2016
*Mr Wing Kwan Teh and Ms Pamela Jenkins resigned on 11 January 2016 and 30 September 2015 respectively

DIRECTORS' INTEREST

The relevant interests of each director in the shares of the parent entity at the date of this report are as follows:

Director	**Number of shares**
Dato' Dr Kai Chah Tan	107,298,250
Mr Evgeny Tugolukov	^ 21,000,000
Mr Kong Meng Ang	34,000,000
Mr Heng Boo Fong	-
Mr Paul Vui Yung Lee	-
Ms Jeslyn Jacques Wee Kian Leong	-

^ Indirect interest through RusSing Med Holdings Pte Ltd.

None of the directors have share options in the Company.

DIVIDENDS PAID OR RECOMMENDED

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

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the year.

EVENTS SUBSEQUENT TO BALANCE 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.

LIKELY DEVELOPMENTS

Likely developments, future prospects and business strategies of the operations of the Group and the expected results of those operations in future years are detailed in the Chairman's message on pages 10 and 11. These are mainly in line with the Group's growth strategies as follows:

1. Continue with the Group's geographical expansion plans and build on existing presence overseas such as in Malaysia, Russia and Myanmar, in the area of specialised clinical services and project management;
2. Enhance AARO's comprehensive suite of capabilities as a regional provider of one-stop solutions in radiology and oncology and to leverage on these capabilities to expand;
3. Strengthen our position in our core markets for liver services; and
4. Explore investment opportunities in the region in the healthcare sector.

OPTIONS

At the date of this report, the unissued ordinary shares of AAMG under option are as follows:

Grant Date	Exercise Price	Options outstanding at 1.9.2015	Options granted	Options exercised/ cancelled/ lapsed	Options outstanding at 31.8.2016	Exercise period
17.1.2011	$0.088	1,299,000	-	(1,299,000)	-	17.1.2012 to 17.1.2016

Option holders do not have any rights to participate in any issues of shares or other interests in the company or any other entity.

Except as disclosed above, there have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

For details of options issued to key management personnel as remuneration, refer to the Remuneration Report.

During the financial year, 1,299,000 ordinary shares were issued as a result of the exercise of options.

ENVIRONMENTAL REGULATION

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The directors are not aware of any particular or significant environmental issues which have been raised in relation to the Company's operations during the financial year. The directors are also not aware of any breach in the environmental regulations in Singapore, Malaysia and Myanmar during the financial year.

REMUNERATION REPORT (Audited)

The Directors of Asian American Medical Group Limited ("AAMG" or 'the Group') present the Remuneration Report for Non-Executive Directors, Executive Directors and other KMP, prepared in accordance with the Corporations Act 2001 and the Corporations Regulations 2001.

DETAILS OF MEMBERS OF KEY MANAGEMENT PERSONNEL

The key management personnel of the Group during the financial year ended 31 August 2016 are listed below.

Directors:
Dato' Dr Kai Chah Tan – Executive Director and Chairman
Mr Evgeny Tugolukov - Non-Executive Director
Mr Kong Meng Ang - Non-Executive Director (appointed 22 January 2016)
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
Mr Wing Kwan Teh - Non-Executive Director (resigned 11 January 2016)
Ms Pamela Anne Jenkins – Non-Executive Director (resigned 30 September 2015)

Other key management personnel:
Mr Cherinjit Kumar Shori – Group Chief Operating Officer
Mr Meng Yau Yeoh – Group Chief Financial Officer
Ms Angela Choong Chiew Foong – Chief Commercial Officer

The skills, experience, expertise and tenure of each director and KMP are disclosed in the profile of directors and KMP sections respectively within the Annual Report.

The Remuneration Report is set out under the following main headings:

a. principles used to determine the nature and amount of remuneration;
b. details of remuneration;
c. service agreements;
d. share-based remuneration; and
e. other information.

A. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The principles of the Group's executive strategy and supporting incentive programs and frameworks are:

- to align rewards to business outcomes that deliver value to shareholders;
- to drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- to ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

AAMG has structured a remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The Board has established a Nomination and Remuneration Committee ("NRC") which operates in accordance with its charter as approved by the Board and is responsible for determining and reviewing compensation arrangements for the Directors and the Executive Team.

The NRC, consisting of at least two non-executive directors, is responsible for making recommendations on remuneration policies and packages applicable to Board members and for approval of remuneration for executive officers of the Group taking into account the financial position of the Consolidated Group. The Board remuneration policy per the formal Charter is to ensure the remuneration package properly reflects the person's duties and responsibilities, and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Constitution of the Company specifies that the aggregate remuneration of directors, other than salaries paid to executive directors, shall be determined from time to time by general meeting. An amount not exceeding the amount determined is divided between those directors as they agree. The latest determination was at the Annual General Meeting held on 23 November 2009 when shareholders approved an aggregate remuneration pool of A$200,000 per annum.

The Board as a whole determines the amount of the fees paid to each non-executive director. The amount proposed to be paid to each non-executive director during the year is A$15,450-A$25,750 (2015: A$15,450-A$25,750).

The remuneration structure that has been adopted by the Group consists of the following components:

* fixed remuneration being annual salary; and
- short term incentives, being employee share schemes and bonuses.

The NRC assess the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and Executive Team.

The payment of bonuses, share options and other incentive payments are reviewed by the NRC annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to pre-determined performance criteria.

SHORT TERM INCENTIVE ("STI")

AAMG performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Company values.

The performance measures are set annually after consultation with the Directors and executives and are specifically tailored to the areas where each executive has a level of control. The measures target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.

The Key Performance Indicators ("KPI's") for the Executive Team are summarised as follows:

Performance area:

- **financial** - operating profit and earnings per share; and
- **non-financial** - strategic goals set by each individual business unit based on job descriptions.

The STI Program incorporates both cash and share-based components for the Executive Team and other employees.

The Board may, at its discretion, award bonuses for exceptional performance in relation to each person's pre-agreed KPIs.

VOTING AND COMMENTS MADE AT THE COMPANY'S LAST ANNUAL GENERAL MEETING

AAMG received more than 99% of 'yes' votes on its Remuneration Report for the financial year ended 31 August 2015. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

CONSEQUENCES OF PERFORMANCE ON SHAREHOLDER WEALTH

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

Item	2016	2015	2014	2013	2012
EPS (S cents)*	(0.74)	0.49	(1.09)	0.12	1.35
Dividends (S cents per share)	-	-	-	0.20	0.50
Net (loss)/profit (S$000)	(2,061)	559	(2,493)	231	2,506
Share price (A$)	0.12	0.08	0.08	0.14	0.09

*continued operations

USE OF REMUNERATION CONSULTANTS

AAMG did not make use of Remuneration Consultants during the financial year.

B. DETAILS OF REMUNERATION

Details of the nature and amount of each element of the remuneration of each KMP of AAMG are shown in the table below:

	Short term employee benefit			Post-employment benefit	Share based payments	Termination benefits		
	Cash salary and fees	Cash bonus	Non-monetary benefits	Central Provident Fund	Options	Termination payments	Total	Performance based percentage of remuneration
31 August 2016	**S$**	**S$**	**S$**	**S$**	**S$**	**S$**	**S$**	**%**
Executive Director								
Dato' Dr Kai Chah Tan	2,400,000	65,000	-	8,145	-	-	2,473,145	3%
Non-Executive Directors								
Ms Pamela Anne Jenkins (1)	-	-	-	-	-	-	-	-
Mr Wing Kwan Teh (2)	22,323	-	-	-	-	-	22,323	-
Mr Evgeny Tugolukov	15,663	-	-	-	-	-	15,663	-
Mr Kong Meng Ang (3)	-	-	-	-	-	-	-	-
Mr Heng Boo Fong	22,323	-	-	-	-	-	22,323	-
Mr Paul Vui Yung Lee	15,663	-	-	-	-	-	15,663	-
Ms Jeslyn Jacques Wee Kian Leong	15,663	-	-	-	-	-	15,663	-
Other Key Management Personnel								
Mr Cherinjit Kumar Shori	258,300	65,730	-	15,810	-	-	339,840	19%
Mr Meng Yau Yeoh	181,998	48,279	-	15,810	-	-	246,087	20%
Ms Angela Chiew Foong Choong	191,000	28,000	-	9,441			228,441	12%
	3,122,933	207,009	-	49,206	-	-	3,379,148	-

(1) Ms Pamela Anne Jenkins resigned as Managing Director and was redesignated from Executive Director to Non-Executive Director on 1 June 2015. She subsequently resigned as Non-Executive Director on 30 September 2015.
(2) Mr Wing Kwan Teh resigned on 11 January 2016.
(3) Mr Kong Meng Ang was appointed on 22 January 2016.

	Short term employee benefit			Post-employment benefit	Share based payments	Termination benefits		
	Cash salary and fees	Cash bonus	Non-monetary benefits	Central Provident Fund	Options	Termination payments	Total	Performance based percentage of remuneration
31 August 2015	**S$**	**S$**	**S$**	**S$**	**S$**	**S$**	**S$**	**%**
Executive Director								
Dato' Dr Kai Chah Tan	2,400,000	43,300	-	6,550	-	-	2,449,850	2%
Non-Executive Directors								
Ms Pamela Anne Jenkins (1)	375,000	-	-	10,300	-	-	385,300	-
Mr Wing Kwan Teh	23,437	-	-	-	-	-	23,437	-
Mr Evgeny Tugolukov	15,898	-	-	-	-	-	15,898	-
Mr Heng Boo Fong	23,437	-	-	-	-	-	23,437	-
Mr Paul Vui Yung Lee	15,898	-	-	-	-	-	15,898	-
Ms Jeslyn Jacques Wee Kian Leong	15,898	-	-	-	-	-	15,898	-
Other Key Management Personnel								
Mr Cherinjit Kumar Shori	252,000	42,000	-	14,000	-	-	308,000	14%
Mr Meng Yau Yeoh	169,992	28,332	-	14,001	-	-	212,325	13%
Ms Angela Chiew Foong Choong (2)	15,000	-	-	600			15,600	-
	3,306,560	113,632	-	45,451	-	-	3,465,643	-

(1) Ms Pamela Anne Jenkins resigned as Managing Director and was redesignated from Executive Director to Non-Executive Director on 1 June 2015. She subsequently resigned as Non-Executive Director on 30 September 2015.

(2) Ms Angela Chiew Foong Choong was appointed on 1 August 2015.

The cash bonus relates to bonus that was vested during the year and is subject to approval by the Nomination and Remuneration Committee. The cash bonus is paid between November and December every year and no part of the bonus is payable in the future years. There was no bonus that was forfeited during the year.

C. SERVICE AGREEMENTS

Remuneration and other terms of employment for the Executive Directors and other KMP are formalised in a service agreement. The major provisions of the agreements relating to remuneration are set out below:

Name	Base salary per month (S$)	Term of agreement	Notice period
Dato' Dr Kai Chah Tan	200,000	Unspecified	3 months
Mr Cherinjit Kumar Shori	21,630	Unspecified	3 months
Mr Meng Yau Yeoh	15,500	Unspecified	3 months
Ms Angela Chiew Foong Choong	16,000	Unspecified	3 months

D. SHARE-BASED REMUNERATION

All directors and executives may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010.

	Grant details			For the financial year ended 31 August 2015					Overall			
	Date	**No.**	**Value $ (Note 1)**	**Exercised no.**	**Exercised $**	**Lapsed no.**	**Lapsed $**	**Vested no.**	**Vested %**	**Unvested %**	**Lapsed %**	**Percentage Remuneration that are options**
Group Key Management Personnel												
Mr Cherinjit Kumar Shori	17.1.2011	842,000	46,858	842,000	75,200	-	-	-	-	-	-	0%
Mr Meng Yau Yeoh	17.1.2011	457,000	25,433	457,000	40,140	-	-	-	-	-	-	0%
				1,299.000	115,340	-	-	-				

Note 1 The value of options granted as remuneration and as shown in the above table has been determined in accordance with applicable accounting standards.

E. OTHER INFORMATION

KMP Options and Right Holdings

All KMP may be allocated options to acquire shares in the Group under the Incentive Option Scheme approved by shareholders from time to time. The last such scheme was approved by shareholders at the Annual General Meeting of shareholders held on 6 December 2010.

The number of options over ordinary shares held by each KMP of the Group during the financial year is as follows:

31 August 2016	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Lapsed/ cancelled	Balance at end of year	Balance vested as end of year	Vested during the year
Dato' Dr Kai Chah Tan	-	-	-	-	-	-	-
Ms Pamela Anne Jenkins (1)	-	-	-	-	-	-	-
Mr Wing Kwan Teh (2)	-	-	-	-	-	-	-
Mr Evgeny Tugolukov	-	-	-	-	-	-	-
Mr Kong Meng Ang (3)	-	-	-	-	-	-	-
Mr Heng Boo Fong	-	-	-	-	-	-	-
Mr Paul Vui Yung Lee	-	-	-	-	-	-	-
Ms Jeslyn Jacques Wee Kian Leong	-	-	-	-	-	-	-
Mr Cherinjit Kumar Shori	842,000	-	(842,000)	-	-	-	-
Mr Meng Yau Yeoh	457,000	-	(457,000)	-	-	-	-
Ms Angela Chiew Foong Choong	-	-	-	-	-	-	-
	1,299,000	-	(1,299,000)	-	-	-	-

(1) Ms Pamela Anne Jenkins resigned on 30 September 2015
(2) Mr Wing Kwan Teh resigned on 11 January 2016
(3) Mr Kong Meng Ang appointed on 22 January 2016

31 August 2015	Balance at beginning of year	Granted as remuneration during the year	Exercised during the year	Lapsed/ cancelled	Balance at end of year	Balance vested as end of year	Vested during the year
Dato' Dr Kai Chah Tan	-	-	-	-	-	-	-
Ms Pamela Anne Jenkins (1)	-	-	-	-	-	-	-
Mr Wing Kwan Teh	-	-	-	-	-	-	-
Mr Evgeny Tugolukov	-	-	-	-	-	-	-
Mr Heng Boo Fong	-	-	-	-	-	-	-
Mr Paul Vui Yung Lee	-	-	-	-	-	-	-
Ms Jeslyn Jacques Wee Kian Leong	-	-	-	-	-	-	-
Mr Cherinjit Kumar Shori	842,000	-	-	-	842,000	842,000	-
Mr Meng Yau Yeoh	457,000	-	-	-	457,000	457,000	-
Ms Angela Chiew Foong Choong (2)	-	-	-	-	-	-	-
	1,299,000	-	-	-	1,299,000	1,299,000	-

(1) Ms Pamela Anne Jenkins resigned on 30 September 2015
(2) Ms Angela Chiew Foong Choong was appointed on 1 August 2015

KMP SHAREHOLDINGS

The number of ordinary shares in Asian American Group Limited held by each KMP of the Group during the financial year is as follows:

31 August 2016	Balance at beginning of year	Issued during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Dato' Dr Kai Chah Tan	102,298,250	5,000,000	-	-	107,298,250
Ms Pamela Anne Jenkins	21,324,600	-	-	^(21,324,600)	-
Mr Wing Kwan Teh	4,084,090	-	-	*(4,084,090)	-
Mr Evgeny Tugolukov	21,000,000	-	-	-	21,000,000
Mr Kong Meng Ang	-	-	-	#34,000,000	34,000,000
Mr Heng Boo Fong	-	-	-	-	-
Mr Paul Vui Yung Lee	-	-	-	-	-
Ms Jeslyn Jacques Wee Kian Leong	-	-	-	-	-
Mr Cherinjit Kumar Shori	-	-	842,000	-	842,000
Mr Meng Yau Yeoh	-	-	457,000	-	457,000
Ms Angela Chiew Foong Choong	-	-	-	-	-
	148,706,940	5,000,000	1,299,000	8,591,310	163,597,250

^ Ms Pamela Anne Jenkins resigned on 30 September 2015
** Mr Wing Kwan Teh resigned on 11 January 2016*
#Mr Kong Meng Ang appointed on 22 January 2016

31 August 2015	Balance at beginning of year	Issued during the year	Issued on exercise of options during the year	Other changes during the year	Balance at end of year
Dato' Dr Kai Chah Tan	102,298,250	-	-	-	102,298,250
Ms Pamela Anne Jenkins	21,324,600	-	-	-	21,324,600
Mr Wing Kwan Teh	4,084,090	-	-	-	4,084,090
Mr Evgeny Tugolukov	21,000,000	-	-	-	21,000,000
Mr Heng Boo Fong	-	-	-	-	-
Mr Paul Vui Yung Lee	-	-	-	-	-
Ms Jeslyn Jacques Wee Kian Leong	-	-	-	-	-
Mr Cherinjit Kumar Shori	-	-	-	-	-
Mr Meng Yau Yeoh	-	-	-	-	-
Ms Angela Chiew Foong Choong (1)	-	-	-	-	-
	148,706,940	-	-	-	148,706,940

(1) Ms Angela Chiew Foong Choong was appointed on 1 August 2015

OTHER KMP TRANSACTIONS

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, there was a S$15,000 consultancy fee paid to Ms Pamela Anne Jenkin's company in the current financial year (2015: Nil).

End of audited remuneration report.

INDEMNIFICATION AND INSURANCE OF OFFICERS

During the year, AAMG paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all Directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Group against a liability incurred as such by an officer.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of the Company with leave from the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

During the year, Grant Thornton, the Group's auditors, performed certain other services in addition to their statutory audit duties.

The Board has considered the non-audit services provided during the year by the auditor and, in accordance with written advice provided by resolution of the Audit Committee, is satisfied that the provision of those non-audit services during the year is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit Committee to ensure they do not impact upon the impartiality and objectivity of the auditor; and

- The non-audit services do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Group, Grant Thornton, and its related practices for audit and non-audit services provided during the year are set out in note 8 to the Financial Statements.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required by section 307C of the Corporations Act 2001 for the year ended 31 August 2016 has been received as set out immediately following the end of the Directors' report.

The Report of Directors is signed in accordance with a resolution of the Board of Directors.

Dato' Dr Kai Chah Tan
Executive Chairman

3 November 2016

Grant Thornton

Level 1,
67 Greenhill Rd
Wayville SA 5034

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 audit of Asian American Medical Group Limited for the year ended 31 August 2016, 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 audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

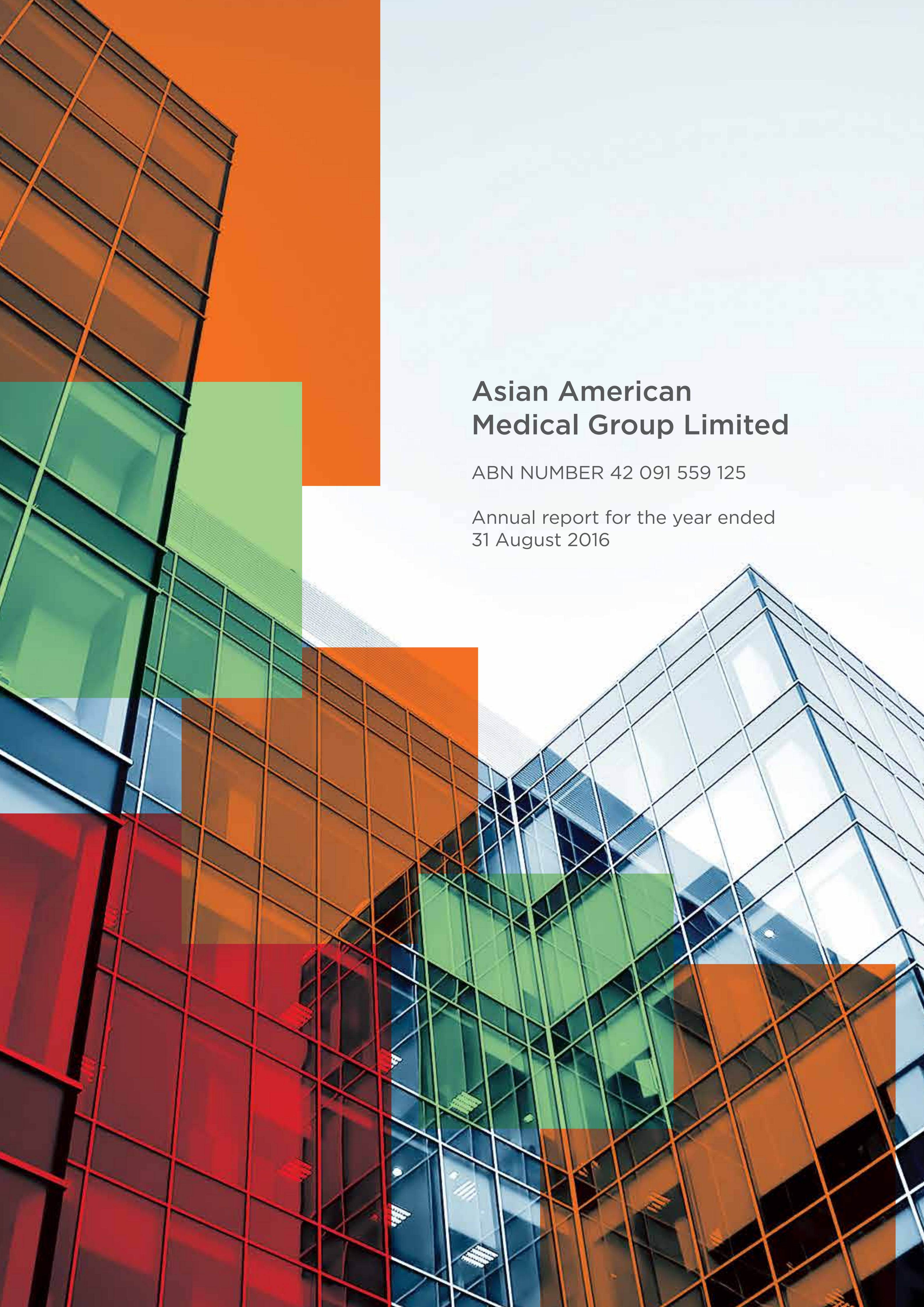
Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Sheenagh Edwards
Partner - Audit & Assurance

Adelaide, 3 November 2016

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



Asian American Medical Group Limited

ABN NUMBER 42 091 559 125

Annual report for the year ended 31 August 2016

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 August 2016

	Note	Consolidated Group Year ended 31 August 2016 S$	 Year ended 31 August 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)
Inventories		(1,781,511)	(2,514,333)
Purchase services		(8,865,759)	(8,956,447)
Employment benefits expense		(6,268,352)	(6,036,903)
Operating lease expense		(492,391)	(469,556)
Depreciation		(75,301)	(98,566)
Directors' fees		(190,315)	(103,488)
Finance expense	4	-	(396)
Provision for doubtful debts	13	(224,087)	-
Other expenses		(1,594,305)	(1,147,362)
(Loss)/profit before income tax		(2,211,123)	1,063,009
Income tax benefit/(expense)	6	150,000	(13,159)
(Loss)/profit for the year for continuing operations		(2,061,123)	1,049,850
Loss for the year for discontinued operations	9	-	(491,140)
(Loss)/profit for the year	5	(2,061,123)	558,710
Other comprehensive income/(loss): *Items that may be reclassified subsequently 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 interests		1,215	(39,354)
		(2,061,123)	**558,710**
Total comprehensive loss attributable to :			
Members of the parent entity		(1,841,382)	(103,455)
Non-controlling interests		1,215	(39,354)
		(1,840,167)	**(142,809)**

These financial statements should be read in conjunction with the accompany notes.

Consolidated statement of profit or loss and other comprehensive income (cont'd)

For the year ended 31 August 2016

	Note	Consolidated Group Year ended 31 August 2016 S$	 Year ended 31 August 2015 S$
Total comprehensive (loss)/income attributable to members of parent entity:			
Continuing operations		(1,841,382)	387,685
Discontinued operations		-	(491,140)
		(1,841,382)	**(103,455)**
Earnings per share			
Basic (loss)/earnings per share:			
Continuing operations	11	(0.74)	0.49
Discontinued operations	11	-	(0.22)
Total		**(0.74)**	**0.27**
Diluted (loss)/earnings per share:			
Continuing operations	11	(0.74)	0.49
Discontinued operations	11	-	(0.22)
Total		**(0.74)**	**0.27**

These financial statements should be read in conjunction with the accompany notes.

Consolidated statement of financial position

As at 31 August 2016

	Note	Consolidated Group	
		2016	**2015**
		S$	**S$**
ASSETS			
Current assets			
Cash and cash equivalents	12	11,307,905	6,249,366
Trade and other receivables	13	4,598,694	8,316,632
Inventories	14	190,728	163,668
Income tax refundable	18	8,334	-
Total current assets		16,105,661	14,729,666
Non-current assets			
Plant and equipment	15	118,636	189,787
Intangible assets	16	266,123	266,123
Deferred tax asset	18	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	17	4,529,700	6,695,978
Current tax liabilities	18	-	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	19	12,932,538	7,458,090
Reserves	20	(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**

These financial statements should be read in conjunction with the accompany notes.

Consolidated statement of changes in equity

For year ended 31 August 2016

	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 income	-	-	(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

These financial statements should be read in conjunction with the accompany notes.

Consolidated statement of cash flows

For year ended 31 August 2016

		Consolidated Group	
		Year ended	Year ended
	Note	31 August 2016	31 August 2015
		S$	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	9	-	(717,394)
Net cash used in operating activities	24	(569,859)	(1,882,445)
Cash flows from investing activities			
Purchase of plant and equipment		(4,150)	(61,282)
Interest received		79,019	77,476
Net cash generated from continuing operations		74,869	16,194
Net cash generated from discontinued operations	9	-	16,859
Net cash generated from investing activities		74,869	33,053
Cash flows from financing activities			
Finance cost	4	-	(396)
Fixed deposits released		121,886	1,515,811
Proceeds from issue of new shares	19	5,838,220	3,203,261
Share issue expenses	19	(363,772)	(12,666)
Proceeds from issue of shares to non-controlling interest		-	150,000
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 held		5,101,344	2,977,038
Cash and cash equivalents at beginning of financial year		6,127,480	3,418,105
Effect of exchange rate change on cash held in foreign currencies		79,081	(267,663)
Cash and cash equivalents at end of financial year	12	11,307,905	6,127,480

These financial statements should be read in conjunction with the accompany notes.

Notes to the financial statements

For the year ended 31 August 2016

1. Principle activities

Asian American Medical Group Limited ("AAMG" or "Company") is a company domiciled in Australia. 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 project management and consultancy services. 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. AABMTC's financial results up to the date of closure have been classified as "Discontinued Operations". 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.

2. Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of Asian American Medical Group Limited ("AAMG") 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. 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.

AAMG is a company domiciled in Australia.

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

These consolidated financial statements have been approved for issue by the Board of Directors on 3 November 2016.

(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 (i.e. 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

The income tax expense (benefit) for the year comprises current income tax expense (benefit) and deferred tax expense (benefit).

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 tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in when management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the Company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(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 year 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 and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss.

(g) 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.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement

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 and are subsequently measured at amortised cost.

(ii) Held-to-maturity investments

These investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group’s intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(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 year.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(v) Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

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) 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 year; 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.

(l) 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.

Equity-settled compensation: The Group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a binomial option pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(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) 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.

(o) 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").

(p) Trade and other payables

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

(q) 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.

(r) 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.

(s) 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.

(t) Comparative figures

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

(u) Standards and Interpretations issued but not yet effective

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after…)	Likely impact on initial application
AASB 9 *Financial Instruments (December 2014)* [Also refer to AASB 2013-9 and AASB 2014-1 below]	**AASB 139** *Financial Instruments: Recognition and Measurement*	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are: a Financial assets that are debt instruments will be classified based on: (i) the objective of the entity's business model for managing the financial assets; and (ii) the characteristics of the contractual cash flows. b Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments. d Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. e Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: • the change attributable to changes in credit risk are presented in Other Comprehensive Income ('OCI') • the remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.	1 January 2018	*When this standard is first adopted for the year ending 31 August 2019, there will be no material impact on the transactions and balances recognised in the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after…)	Likely impact on initial application
AASB 9 *Financial Instruments (December 2014) continued*		Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9: • classification and measurement of financial liabilities; and • derecognition requirements for financial assets and liabilities AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements. Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.		
ASB 1057 *Application of Australian Accounting Standards*	None	In May 2015, the AASB decided to revise Australian Accounting Standards that incorporate IFRSs to minimise Australian-specific wording even further. The AASB noted that IFRSs do not contain application paragraphs that identify the entities and financial reports to which the Standards (and Interpretations) apply. As a result, the AASB decided to move the application paragraphs previously contained in each Australian Accounting Standard (or Interpretation), unchanged, into a new Standard AASB 1057 *Application of Australian Accounting Standards.*	1 January 2016	*When this Standard is first adopted for the year ending 31 August 2017, there will be no impact on the financial statements.*
AASB 15 *Revenue from Contracts with Customers*	**AASB 118** *Revenue* **AASB 111** *Construction Contracts* **Int. 13** *Customer Loyalty Programmes* **Int. 15** *Agreements for the Construction of Real Estate* **Int. 18** *Transfer of Assets from Customers* **Int. 131** *Revenue – Barter Transactions Involving Advertising Services* **Int. 1042** *Subscriber Acquisition Costs in the Telecommunications Industry*	AASB 15: • replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations: – establishes a new revenue recognition model – changes the basis for deciding whether revenue is to be recognised over time or at a point in time – provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing) – expands and improves disclosures about revenue In May 2015, the AASB issued ED 260 *Income of Not-for-Profit Entities*, proposing to replace the income recognition requirements of AASB 1004 *Contributions* and provide guidance to assist not-for-profit entities to apply the principles of AASB 15. The ED was open for comment until 14 August 2015 and the AASB is currently in the process of redeliberating its proposals with the aim of releasing the final amendments in late 2016.	1 January 2018	*When this Standard is first adopted for the year ending 31 August 2019, there will be no material impact on the transactions and balances recognised in the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after…)	Likely impact on initial application
AASB 16 *Leases*	**AASB 117** *Leases* **Int. 4** *Determining whether an Arrangement contains a Lease* **Int. 115** *Operating Leases—Lease Incentives* **Int. 127** *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*	AASB 16: • replaces AASB 117 Leases and some lease-related Interpretations • requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases • provides new guidance on the application of the definition of lease and on sale and lease back accounting • largely retains the existing lessor accounting requirements in AASB 117 • requires new and different disclosures about leases Note that ASIC is expected to include the disclosure of the impact of AASB 16 as a key focus area for the 30 June 2016 reporting season.	1 January 2019	*The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the likely impact on the first time adoption of the Standard for the year ending 31 August 2020 includes:* · *there will be a significant increase in lease assets and financial liabilities recognised on the balance sheet* · *the reported equity will reduce as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities* · *EBIT in the statement of profit or loss and other comprehensive income will be higher as the implicit interest in lease payments for former off balance sheet leases will be presented as part of finance costs rather than being included in operating expenses*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after…)	Likely impact on initial application
AASB 16 *Leases continued*				· *operating cash outflows will be lower and financing cash flows will be higher in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities. Interest can also be included within financing activities*
AASB 2014-1 *Amendments to Australian Accounting Standards (Part D: Consequential Amendments arising from AASB 14)*	None	Part D of AASB 2014-1 makes consequential amendments arising from the issuance of AASB 14.	1 January 2016	*When these amendments become effective for the first time for the year ending 30 June 2017, they will not have any impact on the entity.*
AASB 2014-3 *Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations*	None	The amendments to AASB 11 state that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a 'business', as defined in AASB 3 *Business Combinations*, should: 1 Apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except principles that conflict with the guidance of AASB 11. This requirement also applies to the acquisition of additional interests in an existing joint operation that results in the acquirer retaining joint control of the joint operation (note that this requirement applies to the additional interest only, i.e. the existing interest is not re-measured) and to the formation of a joint operation when an existing business is contributed to the joint operation by one of the parties that participate in the joint operation; and 2 Provide disclosures for business combinations as required by AASB 3 and other Australian Accounting Standards.	1 January 2016	*When these amendments are first adopted for the year ending 30 June 2017, there will be no material impact on the transactions and balances recognised in the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after…)	Likely impact on initial application
AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*	None	The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment. The amendments to AASB 138 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two (2) limited circumstances: 1 The intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or 2 When it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.	1 January 2016	*When these amendments are first adopted for the year ending 31 August 2017, there will be no material impact on the transactions and balances recognised in the financial statements.*
AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*	None	AASB 2014-5 incorporates the consequential amendments arising from the issuance of AASB 15.	1 January 2018	*Refer to the section on AASB 15 above.*
AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*	None	AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9.	1 January 2018	*Refer to the section on AASB 9 above.*
AASB 2014-9 *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements*	None	The amendments introduce the equity method of accounting as one of the options to account for an entity's investments in subsidiaries, joint ventures and associates in the entity's separate financial statements.	1 January 2016	*When these amendments are first adopted for the year ending 31 August 2017, there will be no material impact on the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after…)	Likely impact on initial application
AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	None	The amendments address a current inconsistency between AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures*. The amendments clarify that, on a sale or contribution of assets to a joint venture or associate or on a loss of control when joint control or significant influence is retained in a transaction involving an associate or a joint venture, any gain or loss recognised will depend on whether the assets or subsidiary constitute a business, as defined in AASB 3 *Business Combinations*. Full gain or loss is recognised when the assets or subsidiary constitute a business, whereas gain or loss attributable to other investors' interests is recognised when the assets or subsidiary do not constitute a business. This amendment effectively introduces an exception to the general requirement in AASB 10 to recognise full gain or loss on the loss of control over a subsidiary. The exception only applies to the loss of control over a subsidiary that does not contain a business, if the loss of control is the result of a transaction involving an associate or a joint venture that is accounted for using the equity method. Corresponding amendments have also been made to AASB 128. AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128* deferred the mandatory application date of AASB 2014-10 from 1 January 2016 to 1 January 2018. Refer to the section on AASB 2015-10 below for further information.	1 January 2018	*When these amendments are first adopted for the year ending 31 August 2019, there will be no material impact on the financial statements.*
AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle*	None	These amendments arise from the issuance of *Annual Improvements to IFRSs 2012-2014 Cycle* in September 2014 by the IASB. Among other improvements, the amendments clarify that when an entity reclassifies an asset (or disposal group) directly from being held for sale to being held for distribution (or vice-versa), the accounting guidance in paragraphs 27-29 of AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* does not apply. The amendments also state that when an entity determines that the asset (or disposal group) is no longer available for immediate distribution or that the distribution is no longer highly probable, it should cease held-for-distribution accounting and apply the guidance in paragraphs 27-29 of AASB 5.	1 January 2016	*When these amendments are first adopted for the year ending 31 August 2017, there will be no material impact on the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after...)	Likely impact on initial application
AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*	None	The Standard makes amendments to AASB 101 *Presentation of Financial Statements* arising from the IASB's Disclosure Initiative project. The amendments: • clarify the materiality requirements in AASB 101, including an emphasis on the potentially detrimental effect of obscuring useful information with immaterial information • clarify that AASB 101's specified line items in the statement(s) of profit or loss and other comprehensive income and the statement of financial position can be disaggregated • add requirements for how an entity should present subtotals in the statement(s) of profit and loss and other comprehensive income and the statement of financial position • clarify that entities have flexibility as to the order in which they present the notes, but also emphasise that understandability and comparability should be considered by an entity when deciding that order • remove potentially unhelpful guidance in AASB 101 for identifying a significant accounting policy	1 January 2016	*When these amendments are first adopted for the year ending 31 August 2017, there will be no material impact on the financial statements.*
AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*	None	AASB 2015-8 amends the mandatory application date of AASB 15 *Revenue from Contracts with Customers* so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. It also defers the consequential amendments that were originally set out in AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*.	1 January 2017	*Refer to the section on AASB 15 above.*
AASB 2015-9 *Amendments to Australian Accounting Standards – Scope and Application Paragraphs*	None	AASB 2015-9 inserts scope paragraphs into AASB 8 *Operating Segments* and AASB 133 *Earnings per Share* in place of application paragraph text in AASB 1057. In July and August 2015, the AASB reissued AASB 8, AASB 133 and most of the Australian Accounting Standards that incorporate IFRSs to make editorial changes. The application paragraphs in the previous versions of AASB 8 and AASB 133 covered scope paragraphs that appear separately in the corresponding IFRS 8 and IAS 33. In moving those application paragraphs to AASB 1057 when AASB 8 and AASB 133 were reissued in August, the AASB inadvertently deleted the scope details from AASB 8 and AASB 133. This amending Standard puts the scope details into those Standards, and removes the related text from AASB 1057. There is no change to the requirements or the applicability of AASB 8 and AASB 133.	1 January 2016	*When this Standard is first adopted for the year ending 31 August 2017, there will be no impact on the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after...)	Likely impact on initial application
AASB 2015-10 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128*	None	This Standard defers the mandatory application date of amendments to AASB 10 *Consolidated Financial Statements* and AASB 128 *Investments in Associates and Joint Ventures* that were originally made in AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. The amendments have been deferred as the IASB is planning to address them as part of its longer term *Equity Accounting* project. However, early application of the amendments is still permitted.	1 January 2016	*Refer to the section on AASB 2014-10 above.*
AASB 2016-1 *Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses*	None	AASB 2016-1 amends AASB 112 *Income Taxes* to clarify how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost.	1 January 2017	*When these amendments are first adopted for the year ending 31 August 2018, there will be no material impact on the financial statements.*
AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*	None	AASB 2016-2 amends AASB 107 *Statement of Cash Flows* to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.	1 January 2017	*When these amendments are first adopted for the year ending 31 August 2018, there will be no material impact on the financial statements.*

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date (annual reporting periods beginning on or after...)	Likely impact on initial application
Standards issued by the IASB, but not yet by the AASB				
Clarifications to IFRS 15 Revenue from Contracts with Customers	None	The amendments clarify the application of IFRS 15 in three (3) specific areas to reduce the extent of diversity in practice that might otherwise result from differing views on how to implement the requirements of the new standard. They will help companies: 1. Identify performance obligations (by clarifying how to apply the concept of 'distinct'); 2. Determine whether a company is a principal or an agent in a transaction (by clarifying how to apply the control principle); 3. Determine whether a licence transfers to a customer at a point in time or over time (by clarifying when a company's activities significantly affect the intellectual property to which the customer has rights). The amendments also create two (2) additional practical expedients available for use when implementing IFRS 15: 1. For contracts that have been modified before the beginning of the earliest period presented, the amendments allow companies to use hindsight when identifying the performance obligations, determining the transaction price, and allocating the transaction price to the satisfied and unsatisfied performance obligations. 2. Companies applying the full retrospective method are permitted to ignore contracts already complete at the beginning of the earliest period presented. The AASB is expected to publish the equivalent Australian amendments in quarter 2 of 2016.	1 January 2018	*When these amendments are first adopted for the year ending 31 August 2019, there will be no material impact on the financial statements.*

(v) New and revised standards that are effective for these financial statements

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2015. Information on the more significant standard(s) is presented below.

AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent

AASB 2015-4 amends AASB 128 Investments in Associates and Joint Ventures to ensure that its reporting requirements on Australian groups with a foreign parent align with those currently available in AASB 10 Consolidated Financial Statements for such groups. AASB 128 will now only require the ultimate Australian entity to apply the equity method in accounting for interests in associates and joint ventures, if either the entity or the group is a reporting entity, or both the entity and group are reporting entities.

AASB 2015-4 is applicable to annual reporting periods beginning on or after 1 July 2015.

The adoption of this amendment has not had a material impact on the Group.

(w) 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.

(x) 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 13 and 16 with respect to Management's consideration of impairment of trade and other 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

	Consolidated Group	
	2016	2015
	S$	S$
4 Finance expense		
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 and other comprehensive income as follows:		
- continuing operations	(75,301)	(98,566)
- discontinued operations	-	(30,899)
Provision for doubtful debts (note 13(a))	(224,087)	-
Professional fees	(409,357)	(366,018)
Management fees	(166,163)	(214,088)
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:

	2016 S$	2015 S$
Prima facie tax (refundable)/payable on (loss)/profit before income tax at Australian tax rate of 30% (2015 : 30%)	(663,337)	171,560
Add:		
Effect of tax rates in foreign jurisdiction	223,158	(206,154)
Tax effect of:		
- non-deductible expenses	69,578	255,701
- non-taxable incomes	(14,058)	(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	9,628	(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$6,768,000 and S$426,000 respectively (2015: S$5,270,000 and S$415,000).

7 Key Management Personnel Compensation

The key management personnel ("KMP") compensation included in employment expenses includes:

	2016	2015
	S$	S$
Short-term benefits	3,329,942	3,420,192
Post-employment benefit	49,206	45,451
Total compensation	3,379,148	3,465,643

Detailed remuneration disclosures are provided in the remuneration report.

8 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
- due diligence services	26,000	-

9 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/(expenses) - 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 segment 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)

10 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).

11 Earnings per Share

Basic earnings or loss per share amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings or loss per share amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and loss and share data used in the computation of basic and diluted earnings per share for the year ended 31 August:

	Consolidation Group	
	2016	**2015**
	S$	**S$**
(Loss)/profit for the year	(2,062,338)	598,064
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)	558,710
	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

12 Cash and Cash Equivalents

	Consolidation Group	
	2016	2015
	S$	S$
Cash and bank balances	4,579,031	4,582,504
Fixed deposits	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$121,886 was pledged last year to a bank for performance guarantee relating to the operating lease.

13 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.

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.

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

14 Inventories

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

15 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

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
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 operation	-	(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

16 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 test for goodwill

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% - 10% (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.

17 Trade and Other Payables

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Current		
Trade payables	3,938,457	5,767,363
Patients' deposits	57,462	202,087
Provision for employee benefits	188,560	149,085
Sundry payables and accrued expenses	345,221	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).

18 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
Defered tax assets	**S$**	**S$**	**S$**
Tax allowance relating to unabsorbed losses	-	150,000	150,000
Net deferred tax asset	-	150,000	150,000

19 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 option exercised	115,340	-
Total capital	12,932,538	7,458,090

	Consolidated Group	
	2016	**2015**
	Number of shares	**Number of shares**
a. Ordinary Shares		
At the beginning of reporting year	239,453,754	209,453,754
Shares issued during year	57,000,000	30,000,000
Share options exercised	1,299,000	-
At reporting date	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.

20 Reserves

a. Nature and purpose of reserve

(i) Share-based payments

The share-based payments reserve is used to recognise:
- At grant date of 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(k) 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 21)	(72,179)	-
End of financial year	-	72,179
(ii) Foreign currency translation reserve		
Beginning of financial year	(595,513)	106,006
Net currency translation difference of financial statements of foreign subsidiaries	220,956	(701,519)
End of financial year	(374,557)	(595,513)
Total as at the end of financial year	(374,557)	(523,334)

21 Share-Based Employee Remuneration

i. On 23 November 2009, the shareholders of AAMG approved the establishment of the AAMG Employee Share Option Plan and the rules that govern the operation of the Plan. Minor amendments to the Rules have been approved by shareholders at the Annual General Meeting since. The options are granted under the Plan for no consideration and hold no voting or dividend rights and are not transferable. On 17 January 2011, 1,299,000 share options were granted to certain KMP under the Plan to take up ordinary shares at an exercise price of A$0.088 each. The options were exercised in full on 15 January 2016.

ii. Options granted to KMP are as follows:

Grant Date	Number
17 January 2011	1,299,000

These options vest over a 3-year period and are subject to service conditions such that only a third of the options granted may be exercised on or after the first, second and third anniversary of the grant. Options expire at the earlier of termination of employment or five years after the grant date. Further details of these options are provided in the Directors' report. The options lapse when a KMP ceases their employment with the Group. During the financial year, no options were vested with key management personnel (2015: Nil).

iii. The Company established the AAMG Employee Share Option Plan as a long-term incentive scheme to recognise talent and motivate executives to strive for Group performance. Employees are granted options which vest over 3 years, subject to meeting specified service criteria. The options are issued for no consideration and carry no entitlements to voting rights or dividends of the Group but have been listed. The number available to be granted is determined by the Nomination and Remuneration Committee and is based on performance measures including growth in shareholder return, return on equity, cash earnings, and group EPS growth.

Options are forfeited 30 days after the holder ceases to be employed by the Group, unless the Board determines otherwise (this is usually only in the case of retirement, redundancy, death or disablement).

The options are issued with an exercise price determined by the Nomination and Remuneration Committee to be either:

(a) a price equal to the Market Price or such higher price as may be determined by the Committee in its absolute discretion; or

(b) a price which is set at a discount to the Market Price, the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any Option shall not exceed twenty (20) per cent of the Market Price in respect of the that Option.

The Market Price is defined as the weighted average closing sale price of the shares recorded on the Australian Securities Exchange ("ASX") over the last 5 trading days on which sales of the shares were recorded preceding the day on which the Committee resolves to invite the application for an Option.

A summary of the movements of all Company options issues is as follows:

	Number of shares	**Weighted average exercise price**
Options outstanding as at 31 August 2015	1,299,000	A$0.088
Granted	-	-
Forfeited	-	-
Exercised	1,299,000	A$0.088
Expired	-	-
Options outstanding as at 31 August 2016	-	-
Options exercisable as at 31 August 2016:	-	-
Options exercisable as at 31 August 2015:	1,299,000	A$0.088

There were no options outstanding at year end.

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

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements. The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

22 Controlled Entities

a. Controlled entities consolidated

Name	Country of incorporation	Principle activities	Percentage owned (%)	
			2016	2015
Asian American Medical Group Limited	Australia	Investment holding	100	100
Subsidiary of Asian American Medical Group Limited:				
Asian American Medical Group Inc.	British Virgin Islands	Investment holding	100	100
Subsidiary of Asian American Medical Group Inc.				
Asian American Liver Centre Pte. Ltd.	Singapore	Liver specialist clinic	100	100
Asian American Radiation Oncology Pte. Ltd. (formerly known as Asian American Blood & Marrow Transplant Centre Pte. Ltd.)	Singapore	Radiation oncology services	70	70
Asian American Medical Group Pte. Ltd.	Singapore	Management and consultancy	100	100
Million Health Ventures Pte. Ltd.	Singapore	Investment Holding	100	-
Associate of Asian American Liver Centre Pte. Ltd.:				
PT. Asian Liver Center Indonesia	Indonesia	Dormant	50	50

b. Acquisition of controlled entities

Asian American Medical Group Inc., a subsidiary of Asian American Medical Group Ltd, on 29 July 2016, incorporated a fully-owned subsidiary called Million Health Ventures Pte Ltd, a limited liability company in Singapore with an intended liability of operating as an investment holding company.

c. Disposal of controlled entity

On 20 April 2015, AARO increase its paid-up share capital from S$1 to S$500,000 by issuing 499,999 new shares. As a result of this capital enlargement, 150,000 or 30% of those shares in the enlarged share capital was issued to non-controlling interest which diluted Asian American Medical Group Inc.'s shareholding in AARO from 100% to 70%. The fair value of the 30% was agreed by all parties to be S$150,000.

There were no disposals during the financial year.

23 Commitments

	Consolidated Group	
	2016	2015
	S$	S$

a. Operating leases

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	2016 S$	2015 S$
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 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.

24 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
Loss from disposal of fixed assets	-	9,998
Write down of inventory	-	108,515
Write down of capital assets	-	183,522
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)

25 Events After the Balance 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.

26 Related Party

The Group's related parties include its associates and joint venture, KMP and post-employment benefit plans for the Group's employees.

Balances and transactions between the Company and its subsidiaries, which are related to the Company and set out in note 22, have been eliminated on consolidation and are not disclosed in this note.

Disclosures relating to KMP are set out in note 7 and in the remuneration report.

	2016	**2015**
	S$	**S$**
Other related party transaction		
Related corporation:		
Consultancy fee	15,000	-

The related corporation is a company in which one of the directors, Ms Pamela Anne Jenkins is a director and shareholder.

Other than the above, there are no related party transaction or balances incurred in the current financial year (2015: Nil).

27 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.

28 Financial risk management policies

The Group's financial instruments consist mainly of cash at bank and accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to the financial statements, are as follows.

	Consolidated Group	
	2016	**2015**
	S$	**S$**
Financial assets		
Cash and cash equivalents	11,307,905	6,249,366
Trade and other receivables	4,598,694	8,316,632
Total financial assets	15,906,599	14,565,998
Financial liabilities		
Trade and other payables	(4,529,700)	(6,695,978)
Total financial liabilities	(4,529,700)	(6,695,978)

Financial risk management policies
The Board is responsible for monitoring and managing financial risk exposures of the Group.

Specific financial risk exposures and management

The main risk the Group is exposed to include foreign exchange risk, credit risk, liquidity risk and treasury management risk.

(a) **Foreign exchange risk**
Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the functional currency of the Group which is the Singapore dollar.

(i) **Risk management**
The Group's transactions are predominantly in it functional currency which is the Singapore dollar. The amount of asset and liability held in foreign currency is not considered material to the Group and hence does not hedge these asset or liability.

(ii) **Sensitivity analysis**
Foreign exchange risk
A sensitivity analysis of the impact of foreign exchange risk is not shown as it is not considered material to the Group at the reporting date.

(b) **Credit risk exposures**
Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The credit risk on financial assets of the entity which have been recognised in the statement of financial position, is the carrying amount, net of any allowance for credit losses.

Credit risk is managed through the maintenance of procedures which ensure to the extent possible, that customers and counterparties to transactions are of sound credit worthiness. Such monitoring is used in assessing receivables for impairment.

Apart from the allowance for credit losses as disclosed in note 13, no other receivables are considered past due or impaired.

(c) **Liquidity risk**
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

All financial assets and liabilities as disclosed above have maturities within one year for the 31 August 2016 financial year.

The Group manages liquidity risk by monitoring forecast cash flows.

(d) **Treasury risk management**
The Board meets on a regular basis to analyse financial risk exposure and evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst maintaining the effects on financial performance. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Board has otherwise cleared as being financially sound.

(e) **Fair values of financial assets and liabilities**
Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

The carrying values of financial instruments approximate their fair values.

29 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
Financial performance		
(Loss)/profit for the year	(1,741,093)	355,634
Other comprehensive income	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.

30 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,
Gleneagles Hospital Annexe Block #02-37,
Singapore 258500

Malaysia centre:
iHEAL Medical Centre
Level 7 & 8, Annexe Block, Menara IGB,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur,
Malaysia

Directors' Declaration

The directors of Company declare that:

(a) the financial statements and notes, as set out on pages 39 to 85, are in accordance with the Corporations Act 2001, including
  - (i) giving a true and fair view of the financial position as at 31 August 2016 and of the performance for the year ended on that date of the Consolidated Group; and
  - (ii) complying with Accounting Standards.

(b) the Executive Director and Group Chief Financial Officer have declared that:
  - (i) the financial records of the Company for the financial year have been properly maintained in accordance with s286 of the Corporations Act 2001;
  - (ii) the financial statements and notes for the financial year comply with the Accounting Standards; and
  - (iii) the financial statements and notes for the financial year give a true and fair view.

(c) 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.

(d) complying with International Financial Reporting Standards as disclosed in Note 2 to the financial statements;

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

Dato' Dr Kai Chah Tan
Director

3 November 2016

Level 1,
67 Greenhill Rd
Wayville SA 5034

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 REPORT
TO THE MEMBERS OF ASIAN AMERICAN MEDICAL GROUP LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Asian American Medical Group Limited (the Company), which comprises the consolidated statement of financial position as at 31 August 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Auditor's Opinion

In our opinion:

a the financial report of Asian American Medical Group Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the consolidated entity's financial position as at 31 August 2016 and of its performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the Remuneration Report

We have audited the Remuneration Report included the directors' report for the year ended 31 August 2016. The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Asian American Medical Group Limited for the year ended 31 August 2016, complies with section 300A of the *Corporations Act 2001*.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Sheenagh Edwards
Partner - Audit & Assurance

Adelaide, 3 November 2016

Shareholder Information

The shareholder information set out below was applicable as at 24 October 2016.

A. Distribution of holders of equity securities

	Ordinary Shares	Employee Options
1 - 1,000	153	-
1,001 - 5,000	56	-
5,001 - 10,000	50	-
10,001 - 100,000	64	-
100,001 and over	44	-
	367	-

There were 203 holders of less than marketable parcel of ordinary shares.

The percentage of the total holdings of the twenty largest holders of ordinary shares was 97.52 per cent.

B. Equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

	Ordinary shares	
Name	Number held	Percentage
Citicorp Nominees Pty Limited	139,827,455	49.96
HSBC Custody Nominees (Australia) Limited	44,085,567	14.81
Mr Kong Meng Ang	34,000,000	11.42
Ms Pamela Anne Jenkins	21,324,600	7.16
Russing Med Holdings Pte Ltd	21,000,000	7.05
Mr Chin Soon Ong	5,000,000	1.68
Ms Tye Wee Thin	5,000,000	1.68
Aspire Strategy Pte Ltd	4,000,000	1.34
Mr Khai Ping Wun	3,000,000	1.01
Dr Kang Hoe Lee	2,500,040	0.84
J P Morgan Nominees Australia Limited	2,050,001	0.69
Unusual Investment & Trading Pte Ltd	2,000,000	0.67
Mr Robert John Wood & Mrs Stella Agnes Wood (Bob & Stella Wood S/F A/C)	1,140,415	0.38
Dr Huat Seong Saw	1,000,000	0.34
Mr Hiroshi Tatara	1,000,000	0.34
Mr Cherinjit Kumar Shori	842,000	0.28
Mrs Anjana Nandha	700,000	0.24
Mr Ravindran Govindan	699,483	0.23
BNP Paribas Noms Pty Ltd (DRP)	642,891	0.22
Mr Harry Vui Khiun Lee	561,915	0.19

C. Substantial holders
Substantial holders in the company are set out below:

	Number held	Percentage
Citicorp Nominees Pty Limited	139,827,455	46.96
HSBC Custody Nominees (Australia) Limited	44,085,567	14.81
Mr Kong Meng Ang	34,000,000	11.42
Ms Pamela Anne Jenkins	21,324,600	7.16
Russing Med Holdings Pte Ltd	21,000,000	7.05

D. Voting rights

Please refer note 19.

E. On-market buy back
There are no current on-market buy back.

dedicated to healing
powered by innovation

Asian American Medical Group Limited
www.aamg.co
In collaboration with **UPMC**

6A Napier Road, Gleneagles Hospital
Annexe Block #02-37
Singapore 258500

T (65) 6476 2088 **F** (65) 6476 3088
E enquiry@aamg.co