



(Company Registration No. 199206445M)

**UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2012**

1(a)(i) **STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 30 JUNE 2012**

|   | Note | GROUP            |                  |              | GROUP                                    |  |              |
|---|------|------------------|------------------|--------------|--|--|--------------|
|   |      | 4Q2012<br>\$'000 | 4Q2011<br>\$'000 | + / (-)<br>% | 12 months<br>ended<br>30.06.12<br>\$'000 | 12 months<br>ended<br>30.06.11<br>\$'000 | + / (-)<br>% |
| <b>Continuing Operations</b>  |      |                  |                  |              |  |  |              |
| Revenue   |      | 9,665            | 6,429            | 50           | 29,619                                   | 21,366                                   | 39           |
| Cost of sales   |      | (10,862)         | (4,958)          | 119          | (26,615)                                 | (17,152)                                 | 55           |
| <b>Gross (loss) / profit</b>  |      | <b>(1,197)</b>   | <b>1,471</b>     | <b>(181)</b> | <b>3,004</b>                             | <b>4,214</b>                             | <b>(29)</b>  |
| Gross Margin %  | 1.3  | (12.4)%          | 22.9 %           | (154)        | 10.1 %                                   | 19.7 %                                   | (49)         |
| Other income  | 1.4  | 2,108            | 632              | 234          | 2,570                                    | 635                                      | 305          |
| Distribution expenses   |      | (572)            | (434)            | 32           | (2,465)                                  | (2,031)                                  | 21           |
| Administrative Expenses   |      | (1,872)          | (1,928)          | (3)          | (5,903)                                  | (7,540)                                  | (22)         |
| Other expenses  | 1.5  | (8,946)          | (438)            | 1,943        | (9,194)                                  | (1,136)                                  | 709          |
| Results from operating activities   |      | (10,479)         | (697)            | 1,403        | (11,988)                                 | (5,858)                                  | 105          |
| Finance expense   |      | (585)            | (69)             | 748          | (741)                                    | (292)                                    | 154          |
| <b>Loss before income tax</b>   |      | <b>(11,064)</b>  | <b>(766)</b>     | <b>1,344</b> | <b>(12,729)</b>                          | <b>(6,150)</b>                           | <b>107</b>   |
| Tax (expense)/ benefit  | 1.6  | (4,045)          | 74               | (5,566)      | (4,040)                                  | 73                                       | (5,634)      |
| <b>Loss from continuing operations</b>                                      |      | <b>(15,109)</b>  | <b>(692)</b>     | <b>2,083</b> | <b>(16,769)</b>                          | <b>(6,077)</b>                           | <b>176</b>   |
| <b>Discontinued Operations</b>  |      |                  |                  |              |  |  |              |
| Loss from discontinued operations   |      | -                | (186)            | (100)        | -  | 188                                      | (100)        |
| <b>Loss for the Period</b>  |      | <b>(15,109)</b>  | <b>(878)</b>     | <b>1,621</b> | <b>(16,769)</b>                          | <b>(5,889)</b>                           | <b>185</b>   |
| <b>STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2012</b> |      |                  |                  |              |  |  |              |
| <b>Loss for the Period</b>  |      | <b>(15,109)</b>  | <b>(878)</b>     | <b>1,621</b> | <b>(16,769)</b>                          | <b>(5,889)</b>                           | <b>185</b>   |
| <b>Other comprehensive income</b>   |      |                  |                  |              |  |  |              |
| Currency translation differences  |      | 1,866            | (1,114)          | (268)        | 3,117                                    | (2,274)                                  | (237)        |
| Net fair value change on cash flow hedge                                    |      | 89               | 4                | 2,125        | 84                                       | 76                                       | 11           |
| <b>Total comprehensive income for the period</b>                            |      | <b>(13,154)</b>  | <b>(1,988)</b>   | <b>562</b>   | <b>(13,568)</b>                          | <b>(8,087)</b>                           | <b>68</b>    |
| <b>Attributable to</b>  |      |                  |                  |              |  |  |              |
| Equity holders of the company   |      | (13,154)         | (1,988)          |              | (13,568)                                 | (8,087)                                  |              |
| Minority interest   |      | -                | -                |              | -  | -  |              |
|   |      | <b>(13,154)</b>  | <b>(1,988)</b>   |              | <b>(13,568)</b>                          | <b>(8,087)</b>                           |              |



1(a)(ii) **BREAKDOWN AND EXPLANATORY NOTES TO STATEMENT OF PROFIT AND LOSS**

|            | Note  | GROUP            |                  |              | GROUP                                    |  |              |
|------------|---|------------------|------------------|--------------|--|--|--------------|
|            |   | 4Q2012<br>\$'000 | 4Q2011<br>\$'000 | + / (-)<br>% | 12 months<br>ended<br>30.06.12<br>\$'000 | 12 months<br>ended<br>30.06.11<br>\$'000 | + / (-)<br>% |
| <b>1.1</b> | <b>Loss before income tax</b> is arrived at after charging/(crediting) the following: |                  |                  |              |  |  |              |
|            | Depreciation and amortisation   | 238              | 237              | 0            | 688                                      | 718                                      | (4)          |
|            | Operating lease expense   | 1,136            | 1,153            | (2)          | 3,102                                    | 3,567                                    | (13)         |
|            | Exchange loss   | (187)            | 396              | (147)        | (2)                                      | 1,076                                    | (100)        |
|            | Plant & equipment written off   | 4                | 6                | (33)         | 4  | 6  | (33)         |
|            | Interest expenses on borrowing  | 585              | 289              | 102          | 741                                      | 512                                      | 45           |
| <b>1.2</b> | <b>Other income</b> comprises principally the following:                              |                  |                  |              |  |  |              |
|            | Gain on disposal of discontinued operations   | -                | 1,576            | (100)        | -  | 1,576                                    | (100)        |
|            | Reversal of impairment loss on doubtful receivables                                   | 32               | 518              |              | 25                                       | 502                                      |              |
|            | Reversal of provision for Employee Share Option Cost                                  | 1,327            | -                | N.M.         | 1,327                                    | -  | N.M.         |
|            | Rental income   | 265              | -                | N.M.         | 928                                      | -  | N.M.         |

Note : N.M. - Not Meaningful

**Discontinued Operations**

1.3 The Group had completed the disposal of its precious metal recovery facilities in China and Singapore in FY2011.

**Continuing Operations**

- 1.4 Gross margin in the financial year and the quarter ended 30 June 2012 has decreased because of inefficiency as a result of overemphasis on revenue increase as well as a one-time write-down of some inventory. The loss of gross margin is particularly severe in the fourth quarter where revenue has increased considerably especially in the US. The areas of inefficiency have been identified and are being improved upon that is likely to result in the restoration of gross margin gradually in the coming quarters.
- 1.5 Compared to the prior quarter in 4Q2011 and 2011, the increase in other income is due to the reversal of provision on the reserve for share options due to the expiration and forfeiture of the issued share options.
- 1.5 The increase in other expenses for 4Q2012 and FY2012 of respectively was mainly the result of the impairment of goodwill S\$8,780,000 in Metech USA Inc.
- 1.6 The increase in tax expenses for 4Q2012 and FY2012 is mainly the result of the write off S\$4,050,000 of deferred tax credit in US operations in 4Q2012.

1.7 Significant changes in items included in 1.1 and 1.2 above are explained as follows:

a The Group has successfully sub-let the entire leased premises in Singapore from mid-August 2011, resulting in lower operating lease expenses. However, the saving is partially reduced by the increase in lease expenses in its new facilities in CZ.

b The share options reserves was written off due to the expiration and forfeiture of the issued employee share options.

1(b)(i) **STATEMENT OF FINANCIAL POSITION**

|  | GROUP                |                      | COMPANY              |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | 30.06.2012<br>\$'000 | 30.06.2011<br>\$'000 | 30.06.2012<br>\$'000 | 30.06.2011<br>\$'000 |
| <b>Current assets</b>                        |                      |                      |                      |                      |
| Inventories                                  | 738                  | 1,075                | -                    | -                    |
| Trade and other receivables                  | a 8,082              | 4,830                | 2,697                | 2,080                |
| Cash and cash equivalents                    | b 6,722              | 1,918                | 6,628                | 1,189                |
|  | 15,542               | 7,823                | 9,325                | 3,269                |
| <b>Non-current assets</b>                    |                      |                      |                      |                      |
| Property, plant and equipment                | 5,937                | 6,066                | 3                    | 64                   |
| Subsidiaries                                 | -                    | -                    | 17,815               | 17,815               |
| Goodwill                                     | -                    | 8,780                | -                    | -                    |
| Deferred tax assets                          | 1.7 -                | 1,689                | -                    | -                    |
| Restricted cash held in trust                | 1.8 560              | 541                  | -                    | -                    |
| Amount due from subsidiary                   | -                    | -                    | 14,975               | 10,681               |
|  | 6,497                | 17,076               | 32,793               | 28,560               |
| <b>Total assets</b>                          | <b>22,039</b>        | <b>24,899</b>        | <b>42,118</b>        | <b>31,829</b>        |
| <b>Current liabilities</b>                   |                      |                      |                      |                      |
| Borrowings                                   | 2,615                | 2,628                | 2,600                | -                    |
| Trade and other payables                     | a 9,744              | 6,081                | 1,226                | 864                  |
| Current portion of finance lease liabilities | -                    | -                    | -                    | -                    |
| Current tax liabilities                      | 9                    | 2                    | -                    | -                    |
|  | 12,368               | 8,711                | 3,826                | 864                  |
| <b>Non-current liabilities</b>               |                      |                      |                      |                      |
| Borrowings                                   | 164                  | 60                   | -                    | -                    |
|  | 164                  | 60                   | -                    | -                    |

1(b)(i) **STATEMENT OF FINANCIAL POSITION (cont'd)**

|   | GROUP         |               | COMPANY       |               |
|---|---------------|---------------|---------------|---------------|
|   | 30.06.2012    | 30.06.2011    | 30.06.2012    | 30.06.2011    |
|   | \$'000        | \$'000        | \$'000        | \$'000        |
| <b>Equity attributable to equity holders of the Company</b> |               |               |               |               |
| Share capital   | 152,854       | 152,854       | 152,854       | 152,854       |
| Rights application monies                                   | 8,274         | -             | 8,274         | -             |
| Reserves  | 2,946         | 1,072         | -             | 1,327         |
| Accumulated losses  | (154,567)     | (137,798)     | (122,836)     | (123,216)     |
| <b>Total equity</b>   | <b>9,507</b>  | <b>16,128</b> | <b>38,292</b> | <b>30,965</b> |
| <b>Total liabilities and equity</b>                         | <b>22,039</b> | <b>24,899</b> | <b>42,118</b> | <b>31,829</b> |

**Significant changes are discussed below:**

- a. The increase in trade receivables and payables is a common phenomena of the phasing-in of new customers resulting in the increase in trading volumes.
- b. Increase in cash and cash equivalents is mainly due to the proceeds received from the rights application monies.

1(b)(ii) **GROUP BORROWINGS**

|  | As at        | As at        |
|--|--------------|--------------|
|  | 30.06.2012   | 30.06.2011   |
|  | \$'000       | \$'000       |
| <b>Amount repayable in one year</b>    |              |              |
| Secured borrowings                     | 2,615        | 2,628        |
|  | <b>2,615</b> | <b>2,628</b> |
| <b>Amount repayable after one year</b> |              |              |
| Secured borrowings                     | 164          | 60           |
|  | <b>164</b>   | <b>60</b>    |



1(c) **STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2012**

|   | GROUP                 |                       | GROUP                 |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 4Q2012                | 4Q2011                | 12 months ended       | 12 months ended       |
|   | \$'000                | \$'000                | 30.06.12              | 30.06.11              |
|   |                       |                       | \$'000                | \$'000                |
| <b>Operating activities</b>   |                       |                       |                       |                       |
| Loss for the period   | (15,109)              | (878)                 | (16,769)              | (5,889)               |
| <i>Adjustments:</i>   | -                     | -                     | -                     | -                     |
| Depreciation and amortisation   | 238                   | 237                   | 688                   | 718                   |
| Provision for disposal of waste materials                               | -                     | 325                   | -                     | 656                   |
| Gain on disposal of discontinued operations                             | -                     | (1,576)               | -                     | (1,576)               |
| Gain on disposal of non current assets                                  | -                     | -                     | -                     | (2)                   |
| Reversal of reserve from the expiration and forfeiture of share options | (1,327)               | -                     | (1,327)               | -                     |
| Reversal of impairment loss on doubtful receivables                     | (32)                  | (518)                 | (25)                  | (502)                 |
| Liability waived arising from settlement with creditors                 | -                     | (650)                 | -                     | (650)                 |
| Change in fair value of assets classified held for sale                 | -                     | 2,318                 | -                     | -                     |
| Unrealised exchange (gain) / loss                                       | (346)                 | (773)                 | 159                   | 421                   |
| Impairment of goodwill  | 8,780                 | -                     | 8,780                 | -                     |
| Interest expense  | 585                   | 69                    | 741                   | 512                   |
| Income tax expense / (benefit)  | 4,040                 | (74)                  | 4,040                 | (73)                  |
|   | <u>(3,171)</u>        | <u>(1,520)</u>        | <u>(3,713)</u>        | <u>(6,385)</u>        |
| Changes in working capital  |                       |                       |                       |                       |
| Trade and other receivables   | (3,377)               | (524)                 | (2,937)               | (291)                 |
| Inventories   | 1,211                 | (286)                 | -                     | (12)                  |
| Cash encumbered   | (21)                  | -                     | (21)                  | -                     |
| Trade and other payables  | 1,614                 | (2,564)               | 3,662                 | (2,056)               |
| Cash (used in)/ from operations   | <u>(3,744)</u>        | <u>(4,894)</u>        | <u>(3,009)</u>        | <u>(8,744)</u>        |
| Interest received   |                       |                       | -                     | -                     |
| Interest paid   | (208)                 | (69)                  | (364)                 | (512)                 |
| Income tax refund   | -                     | 83                    | -                     | 73                    |
| <b>Cash flows used in operating activities</b>                          | <b><u>(3,952)</u></b> | <b><u>(4,880)</u></b> | <b><u>(3,373)</u></b> | <b><u>(9,183)</u></b> |
| <b>Investing activities</b>   |                       |                       |                       |                       |
| Net proceeds from disposal of China Operation                           | -                     | 10,674                | -                     | 10,674                |
| Purchase of plant and equipment   | (102)                 | (114)                 | (300)                 | (465)                 |
| Proceeds from sale of property, plant and equipment                     | -                     | -                     | -                     | 2                     |
| <b>Cash flows (used in) / arising from investing activities</b>         | <b><u>(102)</u></b>   | <b><u>10,560</u></b>  | <b><u>(300)</u></b>   | <b><u>10,211</u></b>  |



1(c) **STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 JUNE 2012 (cont'd)**

|   | GROUP            |                  | GROUP                                    |  |
|---|------------------|------------------|--|--|
|   | 4Q2012<br>\$'000 | 4Q2011<br>\$'000 | 12 months<br>ended<br>30.06.12<br>\$'000 | 12 months<br>ended<br>30.06.11<br>\$'000 |
| <b>Financing activities</b>                           |                  |                  |  |  |
| Rights application monies                             | 8,273            | -                | 8,273                                    | -  |
| Repayment of borrowings                               | -                | (1,109)          | (2,724)                                  | (5,820)                                  |
| Proceeds from borrowings                              | 1,600            | 57               | 2,600                                    | 6,385                                    |
| Payment of deferred payment creditor                  | -                | (26)             | (14)                                     | (65)                                     |
| Cash outflow from disposal of discontinued operations | -                | (3,123)          | -  | -  |
| <b>Cash flows generated from financing activities</b> | <b>9,873</b>     | <b>(4,201)</b>   | <b>8,135</b>                             | <b>500</b>                               |
| Net increase in cash and cash equivalents             | 5,819            | 1,479            | 4,462                                    | 1,528                                    |
| Cash and cash equivalents at beginning of period      | 879              | 427              | 1,918                                    | 344                                      |
| Effect of exchange rate fluctuation on cash held      | 24               | 12               | 5  | 46                                       |
| <b>Cash and cash equivalents at end of period</b>     | <b>6,722</b>     | <b>1,918</b>     | <b>6,385</b>                             | <b>1,918</b>                             |

1(c)(i) **Analysis of Cash Flow**

The Group has improved the net cash outflows from operation by reducing it to S\$3,036,000 net outflow (2011: S\$9,183,000). In addition, the new management has injected funds into the group through a rights issuance in July 2012. As at 30 June 2012, the Group has received the rights application monies.



1(d)(i) **STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2012**

| Group  | Share Capital<br>\$'000 | Rights<br>issuance<br>monies<br>\$'000 | Share Option<br>Reserve<br>\$'000 | Currency<br>Translation<br>Reserve<br>\$'000 | Hedging<br>Reserve<br>\$'000 | Accumulated<br>Losses<br>\$'000 | Total Equity<br>\$'000 |
|--|-------------------------|--|-----------------------------------|--|------------------------------|---------------------------------|------------------------|
| <b>At 30 June 2010</b>                           | 152,854                 | -                                      | 1,327                             | 2,103  | (160)                        | (131,909)                       | 24,215                 |
| <b>Total comprehensive income for the period</b> | -                       | -                                      | -                                 | -  | -                            | -                               | -                      |
| Foreign currency translation                     | -                       | -                                      | -                                 | (2,274)                                      | -                            | -                               | (2,274)                |
| Net fair value change on cash flow hedge         | -                       | -                                      | -                                 | -  | 76                           | -                               | 76                     |
| Loss for the year                                | -                       | -                                      | -                                 | -  | -                            | (5,889)                         | (5,889)                |
| Total comprehensive income for the period        | -                       | -                                      | -                                 | (2,274)                                      | 76                           | (5,889)                         | (8,087)                |
| <b>At 30 June 2011</b>                           | 152,854                 | -                                      | 1,327                             | (171)  | (84)                         | (137,798)                       | 16,128                 |
| <b>At 30 June 2011</b>                           | 152,854                 | -                                      | 1,327                             | (171)  | (84)                         | (137,798)                       | 16,128                 |
| <b>Total comprehensive income for the period</b> | -                       | -                                      | -                                 | -  | -                            | -                               | -                      |
| Foreign currency translation                     | -                       | -                                      | -                                 | 3,117  | -                            | -                               | 3,117                  |
| Net fair value change on cash flow hedge         | -                       | -                                      | -                                 | -  | 84                           | -                               | 84                     |
| Loss for the year                                | -                       | -                                      | -                                 | -  | -                            | (16,769)                        | (16,769)               |
| Total comprehensive income for the period        | -                       | -                                      | -                                 | 3,117  | 84                           | (16,769)                        | (13,568)               |
| Expiration and forfeiture of share options       | -                       | -                                      | (1,327)                           | -  | -                            | -                               | (1,327)                |
| Rights application monies                        | -                       | 8,274                                  | -                                 | -  | -                            | -                               | 8,274                  |
| <b>At 30 June 2012</b>                           | 152,854                 | 8,274                                  | -                                 | 2,946  | -                            | (154,567)                       | 9,507                  |
| <b>Company</b>                                   |                         |  |                                   |  |                              |                                 |                        |
| <b>At 30 June 2010</b>                           | 152,854                 | -                                      | 1,327                             | -  | -                            | (119,027)                       | 35,154                 |
| <b>Total comprehensive income for the period</b> | -                       | -                                      | -                                 | -  | -                            | -                               | -                      |
| Loss for the year                                | -                       | -                                      | -                                 | -  | -                            | (4,189)                         | (4,189)                |
| Total comprehensive income for the period        | -                       | -                                      | -                                 | -  | -                            | (4,189)                         | (4,189)                |
| <b>At 30 June 2011</b>                           | 152,854                 | -                                      | 1,327                             | -  | -                            | (123,216)                       | 30,965                 |
| <b>At 30 June 2011</b>                           | 152,854                 | -                                      | 1,327                             | -  | -                            | (123,216)                       | 30,965                 |
| <b>Total comprehensive income for the period</b> | -                       | -                                      | -                                 | -  | -                            | -                               | -                      |
| Profit for the year                              | -                       | -                                      | -                                 | -  | -                            | 380                             | 380                    |
| Total comprehensive income for the period        | -                       | -                                      | -                                 | -  | -                            | 380                             | 380                    |
| Expiration and forfeiture of share options       | -                       | -                                      | (1,327)                           | -  | -                            | -                               | (1,327)                |
| Rights application monies                        | -                       | 8,274                                  | -                                 | -  | -                            | -                               | 8,274                  |
| <b>At 30 June 2012</b>                           | 152,854                 | 8,274                                  | -                                 | -  | -                            | (122,836)                       | 38,292                 |



**1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL**

There were no changes in the company's share capital for the reported quarter and year ended 30 June 2012.

There is an issuance of rights in July 2012 from the subscription in May 2012 which will increase the share capital by S\$8,273,000.

**1(d)(iii) TOTAL NUMBER OF ISSUED SHARES**

As at 30 June 2012, the number of ordinary shares issued were 8,273,463,905 (30 June 2011: 8,273,463,905).

**1(d)(iv) MOVEMENT IN TREASURY SHARES**

There are no treasury shares during the quarter and year as at 30 June 2012.

**2 AUDIT**

The figures have not been audited or reviewed by the Company's auditors.

**3 AUDITORS' REPORT**

Not applicable.

**4 ACCOUNTING POLICIES**

The same accounting policies and methods of computation as in the most recently audited financial statements have been applied except as disclosed in Section 5.

**5 CHANGES IN ACCOUNTING POLICIES**

**(a)** New / Revised FRS applicable to the Group with effect from 1 July 2011 are as follow:

FRS 24: Related Party Disclosures

Amendments to FRS 1 : Presentation of Financial Statements

Amendments to FRS 107 : Financial Instruments: Disclosures

Amendments to FRS 107 : Financial Instruments: Disclosures - Transfer of Financial Assets





(b) **Change in functional currency**

The Company and certain subsidiaries changed their functional currencies from Singapore Dollar (S\$) to United States Dollar (US\$) with effect from 1 July 2011 as it believed that such a change would better reflect the economic substance of the underlying events relevant to the Company and these subsidiaries. However, with the change of strategic direction as decided by the new Board and Management of the Group, such circumstances are no longer valid. It has been decided that the change of functional currency be reversed.

The effect of the reversal of change in functional currency has resulted in the need to translate the 1Q2012 results of the relevant entities back into S\$ for the 1H2012 results. Going forward, the Group will continue past practice of using S\$ as the functional as well as presentation currency.

(c) **Change in presentation currency**

In line with the reversal of change in functional currency from US\$ back to S\$, the financial statements will henceforth be presented in S\$.

6 **NET ASSET VALUE**

|  | GROUP      |            | COMPANY    |            |
|--|------------|------------|------------|------------|
|  | 30.06.2012 | 30.06.2011 | 30.06.2012 | 30.06.2011 |
| Net asset value per ordinary share based on issued share capital as at the end of the period | Cents      | Cents      | Cents      | Cents      |
|  | 0.115      | 0.195      | 0.463      | 0.374      |

7 **EARNING PER ORDINARY SHARE ("EPS")**

|  | GROUP   |         | GROUP                    |                          |
|--|---------|---------|--------------------------|--------------------------|
|  | 4Q2012  | 4Q2011  | 12 months ended 30.06.12 | 12 months ended 30.06.11 |
| Loss per share for results from the Group attributable to equity holders of the Company - Basic and Diluted (Note A) | Cents   | Cents   | Cents                    | Cents                    |
| - Continuing operations  | (0.183) | (0.008) | (0.203)                  | (0.073)                  |
| - Discontinuing operations   | -       | (0.002) | -                        | 0.002                    |
| Total  | (0.183) | (0.011) | (0.203)                  | (0.071)                  |

The Group's basic and fully diluted earnings per ordinary share for the quarter ended 30 June 2012 are calculated based on the weighted average number of ordinary shares in issue during the year: 8,273,434,950 shares (2011: 8,273,434,950).



8 **REVIEW OF GROUP PERFORMANCE**

| a. Quarterly Revenue and Gross Margin (Continuing operations) | 4Q2012       | 3Q2012       | + / (-)     | 0             | 0             | + / (-)     |
|---|--------------|--------------|-------------|---------------|---------------|-------------|
| Revenue by Segment  | \$'000       | \$'000       | %           | \$'000        | \$'000        | %           |
| US  | 6,534        | 5,813        | 12.4        | 23,111        | 17,100        | 35.2        |
| Singapore   | 2,275        | -            | N.M.        | 3,292         | 302           | 990.1       |
| Europe  | 856          | 616          | 39.0        | 3,216         | 3,964         | (18.9)      |
| <b>Total</b>  | <b>9,665</b> | <b>6,429</b> | <b>50.3</b> | <b>29,619</b> | <b>21,366</b> | <b>38.6</b> |
| <b>Revenue by Services</b>                                    |              |              |             |               |               |             |
| End of Life ("EoL")   | 9,665        | 6,429        | 50.3        | 29,619        | 21,366        | 38.6        |
| <b>Total</b>  | <b>9,665</b> | <b>6,429</b> | <b>50.3</b> | <b>29,619</b> | <b>21,366</b> | <b>38.6</b> |

The Group recorded higher EoL sales compared with the same quarter in the previous year as well as the preceding quarter.

**US Operations** – Revenue was 12.4% higher compared to 4Q2011 and 35.2% higher compared to the 12 months ended 30.06.11 due to a few new customers.

**Singapore Operations** – EoL business and trading commenced during 4Q2012.

**Europe Operations** – Revenue is lower than 4Q2011 and 12 months ended 30.06.2011 due to uncertainties with a major customer in the UK. Efforts have been put in to regain the confidence of this customer. Margin for Europe is lower this quarter as the new CZ plant's direct overheads have been included during the quarter. Initial excess capacity in CZ plant brought down the overall gross margin in Europe.



8 **REVIEW OF GROUP PERFORMANCE (Con'td)**

|  | 4Q2012          | 4Q2011       | + / (-)        | 12 months ended<br>30.06.12 | 12 months ended<br>30.06.11 | + / (-)      |
|--|-----------------|--------------|----------------|-----------------------------|-----------------------------|--------------|
|  | \$'000          | \$'000       | %              | \$'000                      | \$'000                      | %            |
| <b>b. Loss Before Income Tax (Continuing operations)</b> |                 |              |                |                             |                             |              |
| US   | (2,439)         | (353)        | 590.9          | (2,934)                     | (2,809)                     | 4.4          |
| Singapore  | (98)            | 402          | (124.4)        | 223                         | 421                         | (47.0)       |
| Europe   | 35              | (51)         | (168.6)        | (1,120)                     | (757)                       | 48.0         |
| Corporate and other unallocated items                    | (8,562)         | (764)        | 1,020.7        | (8,898)                     | (3,005)                     | 196.1        |
| <b>Total</b>   | <b>(11,064)</b> | <b>(766)</b> | <b>1,344.4</b> | <b>(12,729)</b>             | <b>(6,150)</b>              | <b>107.0</b> |

**US Operations** – Operating loss was higher compared to 4Q2011 due to the one-off write down of inventory obsolescence arising. Initiatives are currently being undertaken as noted in 1.5.

**Singapore Operations** – EOL business and trading commenced during 4Q2012.

**Europe Operation** - Besides uncertainties with a major customer that had resulted in lower revenue in the UK, Europe operation has yet to achieve the optimal level of operations in the UK and especially in CZ where operation has just started in the last quarter. Current efforts to improve collection in the UK and CZ will likely contribute towards optimal use of the facilities in both countries.

**Corporate** - The expenses has increased as explained in 1.5 above under other expenses.

9 **SEGMENTED REVENUE AND RESULTS FOR GEOGRAPHICAL SEGMENTS**

See item 8.

10 **VARIANCE FROM PROSPECT STATEMENT**

No variance from previous prospect statement made.

11 **PROSPECT**

The uncertain world economy will continue to adversely affect the Group's ability to collect high value electronic wastes as its customers in the US and Europe scale down capital expenditure. The business remains competitive and challenging, with pricing pressure in the US and Europe as competitors in Asia enter the markets.

While market opportunities still exist with room for growth in the EoL segment, the improvement to the current business activities will require time for the Group to realign and readjusted its business strategy and restructuring especially in the US and Europe operations. Cost measures initiatives and realignment of organisation structure is currently being implemented in the US operations and results are expected to improve in six to twelve months.

The Group will also explore merger and acquisition possibilities for inorganic growth.

*This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a results of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale / distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.*



**12 INTERESTED PERSON TRANSACTIONS**

The Group do not have any IPT transactions that require a general mandate from the shareholders.

**13 DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION IN THE ISSUER OR ANY OF ITS PRINCIPAL SUBSIDIARIES WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER OF THE ISSUER PURSANT TO RULE 704(13)**

| Name       | Age | Family relationship with any director and/or substantial shareholder      | Current position and duties, and the year the position was first held  | Details of changes in duties and position held, if any, during the year |
|------------|-----|---|--|---|
| Simon Eng  | 53  | Brother of Mr Andrew Eng, President of Metech International Limited       | Executive Chairman<br><br>Develop, formulate and implement the business strategies of the Group.<br><br>1 November 2011                                    | None  |
| Andrew Eng | 51  | Brother of Simon Eng, Executive Chairman of Metech International Limited. | President<br><br>Assisting the Executive Chairman in the daily operations, business development and strategy planning of the Group.<br><br>1 November 2011 | None  |

**14 DIVIDENDS**

No dividend is recommended.

**BY ORDER OF THE BOARD**

Shirley Lim Guat Hua  
Company Secretary  
Date : 29 August 2012

On behalf of the Board of Directors

SIMON ENG  
Chairman & Acting CEO

JEN SHEK VOON  
Deputy Chairman and Lead  
Independent Director

Date : 29 August 2012