

(Company Registration No. 199206445M)

**UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2018 (“4Q2018”) AND FINANCIAL YEAR ENDED 30 JUNE 2018 (“FY2018”).**

**PART 1 INFORMATION REQUIRED FOR ANNOUNCEMENTS FOR FOURTH QUARTER RESULTS**

**1(a)(i). A statement of comprehensive income for the Group together with a comprehensive statement for the corresponding period of the immediately preceding financial year.**

	Group	Group		Inc/(Dec) %	Group		Inc/(Dec) %
		4Q2018 S\$'000	4Q2017 S\$'000		FY2018 S\$'000	FY2017 S\$'000	
<b>Revenue</b>	(i)	<b>17,027</b>	41,575	(59.1)	<b>97,137</b>	120,462	(19.4)
Cost of sales		<b>(20,906)</b>	(39,469)	(47.0)	<b>(98,551)</b>	(114,894)	(14.2)
<b>Gross (loss)/ profit</b>	(ii)	<b>(3,879)</b>	2,106	nm	<b>(1,414)</b>	5,568	nm
<b>Gross (loss)/ profit margin</b>	(ii)	<b>(22.8) %</b>	5.1 %		<b>(1.5) %</b>	4.6 %	
Other (expenses)/ income - net	(iii)	<b>(310)</b>	(44)	604.6	<b>16</b>	1,711	(99.1)
Distribution expenses	(iv)	<b>(374)</b>	(384)	(2.6)	<b>(1,393)</b>	(1,284)	8.5
Administrative expenses	(v)	<b>(1,079)</b>	(1,184)	(8.9)	<b>(4,574)</b>	(4,953)	(7.7)
Finance costs	(vi)	<b>(57)</b>	(64)	(10.9)	<b>(220)</b>	(122)	80.3
<b>Operating (loss)/ profit before income tax</b>		<b>(5,699)</b>	430	nm	<b>(7,585)</b>	920	nm
Income tax expense		<b>(9)</b>	(39)	(76.9)	<b>(26)</b>	(47)	(44.7)
<b>(Loss)/ Profit after income tax</b>	(vii)	<b>(5,708)</b>	391	nm	<b>(7,611)</b>	873	nm
Other comprehensive expenses, net of income tax:							
Foreign currency translation difference	(viii)	<b>(78)</b>	(28)	178.6	<b>(203)</b>	(11)	1,745.5
<b>Total comprehensive income, for the period attributable to the owners of the company</b>		<b>(5,786)</b>	363	nm	<b>(7,814)</b>	862	nm

nm = not meaningful

**1(a)(ii). The net loss attributable to shareholders includes the following charges/credits**

	Group		Inc/(Dec) %	Group		Inc/(Dec) %
	4Q2018 S\$'000	4Q2017 S\$'000		FY2018 S\$'000	FY2017 S\$'000	
<b>1 Profit before income tax is arrived at after charging the following:</b>						
Depreciation of property, plant and equipment	164	154	6.5	614	690	(11.0)
Operating lease expenses	903	1,624	(44.4)	3,535	4,152	(14.9)
Interest expense	57	64	(10.9)	220	122	80.3
<b>2 Other (expenses)/ income - net comprises principally of the following:</b>						
Rental income	67	88	(23.9)	277	415	(33.3)
Interest income	1	1	-	4	27	(85.2)
Insurance claim	-	-	nm	650	1,318	(50.7)
Government grant	74	4	1,750.0	84	69	21.7
Foreign currency exchange (loss)/ gain - realised	(12)	7	nm	34	(107)	nm
Foreign currency exchange gain/ (loss) - unrealised	247	(87)	nm	(92)	-	nm
Gain on disposal of plant and equipment	-	-	nm	-	7	(100.0)
Loss on disposal of plant and equipment	-	-	nm	(17)	-	nm
Plant and equipment written off	(30)	(44)	(31.8)	(30)	(45)	(33.3)
Bad debts recovered	-	-	nm	17	-	nm
Reversal of impairment on trade and other receivables	81	132	(38.6)	81	136	(40.4)
Payables written off	33	-	nm	33	-	nm
Bad debts written off	-	-	nm	-	(15)	(100.0)
(Amortization of)/ Reversal of restoration cost	(49)	90	nm	(49)	90	nm
Reinstatement expenses for leased premises	-	-	nm	(180)	-	nm
Fire related cost	(13)	(543)	(97.6)	(143)	(543)	(73.7)
Provision for penalties and legal expenses	(667)	-	nm	(667)	-	nm
Reversal of impairment of property, plant and equipment	-	320	(100.0)	-	320	(100.0)
Miscellaneous	(42)	(12)	250.0	14	39	(64.1)

nm = not meaningful

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

		Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30-Jun-18 S\$'000	30-Jun-17 S\$'000	30-Jun-18 S\$'000	30-Jun-17 S\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	(i)	1,917	2,146	5	9
Subsidiaries		-	-	387	700
Restricted cash held in trust	(ii)	335	326	-	-
Trade and other receivables		201	-	387	9,325
		<u>2,453</u>	<u>2,472</u>	<u>779</u>	<u>10,034</u>
<b>Current Assets</b>					
Inventories	(iii)	3,260	3,678	-	-
Trade receivables	(iv)	4,666	8,784	-	-
Other receivables	(v)	3,266	6,356	105	585
Cash and cash equivalents		2,909	3,742	97	180
		<u>14,101</u>	<u>22,560</u>	<u>202</u>	<u>765</u>
<b>Total Assets</b>		<b><u>16,554</u></b>	<b><u>25,032</u></b>	<b><u>981</u></b>	<b><u>10,799</u></b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share Capital		177,480	176,346	177,480	176,346
Other reserves	(vi)	67	270	-	-
Accumulated losses		(173,569)	(165,958)	(178,176)	(168,657)
<b>Total Equity</b>		<b><u>3,978</u></b>	<b><u>10,658</u></b>	<b><u>(696)</u></b>	<b><u>7,689</u></b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
Trade and other payables	(vii)	34	34	-	-
Provisions	(viii)	410	78	-	-
Finance lease liabilities		50	81	-	-
Non-convertible bond	(ix)	-	1,000	-	1,000
		<u>494</u>	<u>1,193</u>	<u>-</u>	<u>1,000</u>
<b>Current Liabilities</b>					
Trade and other payables	(vii)	9,376	12,021	677	1,110
Provisions	(viii)	667	82	-	-
Finance lease liabilities		32	41	-	-
Borrowings	(ix)	2,000	1,000	1,000	1,000
Income tax payable		7	37	-	-
		<u>12,082</u>	<u>13,181</u>	<u>1,677</u>	<u>2,110</u>
<b>Total Liabilities</b>		<b><u>12,576</u></b>	<b><u>14,374</u></b>	<b><u>1,677</u></b>	<b><u>3,110</u></b>
<b>Total Equity and Liabilities</b>		<b><u>16,554</u></b>	<b><u>25,032</u></b>	<b><u>981</u></b>	<b><u>10,799</u></b>

**1(b)(ii).Aggregate amount of group's borrowings and debt securities.**

	As at 30 Jun-18		As at 30 Jun-17	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Current</b>				
Convertible bond	1,000	-	1,000	-
Loan from third party	1,000	-	-	-
<b>Non-current</b>				
Convertible bond	-	-	1,000	-
<b>Total</b>	<b><u>2,000</u></b>	<b><u>-</u></b>	<b><u>2,000</u></b>	<b><u>-</u></b>

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**1(c). A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		Group	
	4Q2018 S\$'000	4Q2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000
<b>Cash flow from operating activities</b>				
(Loss)/ Profit before income tax	(5,699)	430	(7,585)	920
Adjustments for:				
Inventories written down to net realisable value	740	70	740	82
Reversal of inventories written down	-	-	-	(12)
Payables written off	(33)	-	(33)	-
Bad debts written off	-	-	-	15
Depreciation of property, plant and equipment	164	154	614	690
Reversal of allowance for impairment loss on trade and other receivable	(81)	(132)	(81)	(136)
Loss/ (Gain) on disposal of property, plant and equipment	-	-	17	(7)
Property, plant and equipment written off	30	44	30	45
Reversal of impairment of property, plant and equipment	-	(320)	-	(320)
Interest expense	57	64	220	122
Interest income	(1)	(1)	(4)	(27)
Amortization of/ (Reversal of) restoration cost	49	(90)	49	(90)
Provision for penalties and legal expenses	667	-	667	-
Loss on future contracts - unrealised	36	105	36	107
(Gain)/ Loss on foreign currency exchange - unrealised	(247)	87	92	-
Operating cash flow before working capital changes	(4,318)	411	(5,238)	1,389
<b>Changes in operating assets and liabilities</b>				
Inventories	(470)	73	(322)	(942)
Trade and other receivables	6,144	(5,337)	6,958	(7,541)
Restricted cash held in trust	-	13	-	-
Trade and other payables	289	5,249	(2,612)	5,903
<b>Cash generated from/ (used in) operations</b>	1,645	409	(1,214)	(1,191)
Interest paid	(57)	(64)	(220)	(122)
Interest received	1	1	4	27
Income tax paid	(8)	(8)	(56)	(10)
<b>Net cash generated from/ (used in) operating activities</b>	1,581	338	(1,486)	(1,296)
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	(42)	(15)	(446)	(326)
Proceeds from sale of property, plant and equipment	-	-	6	7
Proceeds from divestment of other financial assets	-	-	-	418
<b>Net cash (used in)/ generated from investing activities</b>	(42)	(15)	(440)	99
<b>Cash flows from financing activities</b>				
Repayment of finance lease liabilities	(21)	(10)	(41)	(41)
Proceeds from short term loan from third party	1,000	-	1,000	-
Repayment of short term loan from controlling shareholder	(1,000)	-	-	-
(Repayment of)/ Proceeds from non-convertible bond	-	-	(1,000)	2,000
Proceeds from shares issuances from warrants exercise	-	-	1,134	-
<b>Net cash (used in)/ generated from financing activities</b>	(21)	(10)	1,093	1,959
<b>Net increase/ (decrease) in cash and cash equivalents</b>	1,518	313	(833)	762
<b>Cash and cash equivalents at beginning of financial period</b>	1,391	3,409	3,742	3,029
<b>Effect of currency translation on cash and cash equivalents</b>	-	20	-	(49)
<b>Cash and cash equivalents at end of financial period</b>	2,909	3,742	2,909	3,742

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1(d)(i). A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital S\$'000	Currency Translation Reserve S\$'000	Accumulated Losses S\$'000	Total Equity S\$'000
<b>Group</b>				
<b>At 1 July 2017</b>	176,346	270	(165,958)	10,658
Loss for the financial year	-	-	(7,611)	(7,611)
Other comprehensive expenses - Foreign currency translation	-	(203)	-	(203)
<b>Total comprehensive income for the year</b>	-	(203)	(7,611)	(7,814)
<b>Allotment of shares from warrants exercise</b>	1,134	-	-	1,134
<b>At 30 June 2018</b>	177,480	67	(173,569)	3,978
<b>At 1 July 2016</b>	176,346	281	(166,831)	9,796
Profit for the financial year	-	-	873	873
Other comprehensive expenses - Foreign currency translation	-	(11)	-	(11)
<b>Total comprehensive income for the year</b>	-	(11)	873	862
<b>At 30 June 2017</b>	176,346	270	(165,958)	10,658
<b>Company</b>				
<b>At 1 July 2017</b>	176,346	-	(168,657)	7,689
Loss for the financial year	-	-	(9,519)	(9,519)
<b>Total comprehensive income for the year</b>	-	-	(9,519)	(9,519)
<b>Allotment of shares from warrants exercise</b>	1,134	-	-	1,134
<b>At 30 June 2018</b>	177,480	-	(178,176)	(696)
<b>At 1 July 2016</b>	176,346	-	(166,477)	9,869
Loss for the financial year	-	-	(2,180)	(2,180)
<b>Total comprehensive income for the year</b>	-	-	(2,180)	(2,180)
<b>At 30 June 2017</b>	176,346	-	(168,657)	7,689

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**1(d)(ii). Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares in a class that is listed as at the end of the current financial period reported on and as at the end of the current financial period reported on and as at the end of the immediately preceding financial year.**

	Number of shares	Amount S\$ '000
Ordinary shares issued		
As at 1 July 2017	4,218,558,916	176,346
Conversion of 283,425,313 warrants at \$0.004 each	283,425,313	1,134
<b>As at 30 June 2018</b>	4,501,984,229	177,480
As at 1 July 2016	4,218,558,916	176,346
<b>As at 30 June 2017</b>	4,218,558,916	176,346

There were no changes in the Company's share capital during 4Q2018. During the financial year ended 30 June 2018, a total of 283,425,313 warrants were exercised and converted into 283,425,313 shares. The total proceeds from the warrants exercise were S\$1,133,701.

There were no outstanding warrants as at 30 June 2018 (30 June 2017: 1,406,186,305 outstanding warrants). As of 30 June 2018, the total number of issued shares excluding treasury shares and subsidiary holdings, and the total share capital stood at 4,501,984,229 and S\$177,479,971 respectively.

**1(d)(iii). To show the total number of issued shares excluding treasury shares and subsidiary holdings as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of ordinary shares issued, excluding treasury shares and subsidiary holdings as at 30 June 2018 and 30 June 2017 were 4,501,984,229 and 4,218,558,916 respectively.

**1(d)(iv). A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no treasury shares during the quarter and as at 30 June 2018.

**1(d)(v). A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There were no subsidiary holdings during the quarter and as at 30 June 2018.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

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

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**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group had applied the same accounting policies and methods of computation to the financial statements in the current reporting period as with the audited financial statements for the financial year ended 30 June 2017.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group had adopted the Singapore Financial Standards ("SFRS") including improvements to SFRS and interpretations of FRS ("INT FRS") that are mandatory for financial years beginning on or after 1 July 2017. Where applicable, the application of these standards did not have any significant impact on the Group.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

	Group		Group	
	4Q2018	4Q2017	FY2018	FY2017
	Cents	Cents	Cents	Cents
<b>(Loss)/ Earnings per share for the Group attributable to equity holders of the Company</b>				
i) Basic	(0.1268)	0.0093	(0.1716)	0.0207
ii) On a fully diluted basis	(0.1268)	0.0093	(0.1716)	0.0207

The earnings per share for continuing business in 4Q2018 and FY2018 were calculated based on the weighted average number of ordinary shares of 4,501,984,229 and 4,434,054,051 respectively.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer at the end of the:-**

(a) Current financial period reported on; and

(b) Immediately preceding financial year.

	Group		Company	
	30-Jun-18	30-Jun-17	30-Jun-18	30-Jun-17
	Cents	Cents	Cents	Cents
<b>NAV per share based on issued share capital as at the end of the period</b>	0.0884	0.2526	(0.0155)	0.1823

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**

(a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

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**(i) Revenue from continuing operations**

For 4Q2018, the Group's revenue decreased by 59.1% quarter-on-quarter ("qoq") to S\$17.0 million.

**Sales by segments:**

	4Q2018	4Q2017	Variance	FY2018	FY2017	Variance
	S\$' million	S\$' million	%	S\$' million	S\$' million	%
E-Waste management	5.8	9.1	(36.3)	28.2	31.8	(11.3)
Supply chain management	11.2	32.1	(65.1)	68.9	89.0	(22.6)
	<u>17.0</u>	<u>41.2</u>	<u>(58.7)</u>	<u>97.1</u>	<u>120.8</u>	<u>(19.6)</u>
Intersegment	-	0.4	(100.0)	-	(0.3)	(100.0)
<b>Group</b>	<b><u>17.0</u></b>	<b><u>41.6</u></b>	<b><u>(59.1)</u></b>	<b><u>97.1</u></b>	<b><u>120.5</u></b>	<b><u>(19.4)</u></b>

**Sales by geographical locations:**

	4Q2018	4Q2017	Variance	FY2018	FY2017	Variance
	S\$' million	S\$' million	%	S\$' million	S\$' million	%
US Operations	2.6	6.4	(59.4)	16.0	20.7	(22.7)
Asia Operations*	14.4	34.8	(58.6)	81.1	100.1	(19.0)
	<u>17.0</u>	<u>41.2</u>	<u>(58.7)</u>	<u>97.1</u>	<u>120.8</u>	<u>(19.6)</u>
Intersegment	-	0.4	(100.0)	-	(0.3)	(100.0)
<b>Group</b>	<b><u>17.0</u></b>	<b><u>41.6</u></b>	<b><u>(59.1)</u></b>	<b><u>97.1</u></b>	<b><u>120.5</u></b>	<b><u>(19.4)</u></b>

\*Asia operations cover Singapore operations, China operations and Malaysia operations.

Revenue from E-Waste Management ("EWM") fell by 36.3% in the fourth quarter as a key factory in the United States ("US") has stopped work entirely because of an environmental violation, which came about because of problems in the facilities that started to surface earlier in the financial year. The severe fall resulted in a full-year loss of 11.3% in revenue.

As management focus was shifted to operational and cash-flow issues in the second half of FY2018, our Supply Chain Management ("SCM") business had suffered. Reduced working capital for SCM was in part because of loan repayment within the year. Revenue for SCM decreased by 65.1% compared to the same period last year.

Revenue for from US operations, which is EWM in nature, decreased by 59.4% in 4Q2018. The decrease in revenue of the Asia operations of 58.6% in 4Q2018 was mainly due to reduced revenue under SCM.

**(ii) Gross (Loss)/ Profit**

**Gross (loss)/ profit by segments:**

	4Q2018	4Q2017	Variance	FY2018	FY2017	Variance
	S\$' 000	S\$' 000	%	S\$' 000	S\$' 000	%
E-Waste management	(2,970)	1,969	nm	(602)	4,462	nm
Supply chain management	(909)	137	nm	(812)	1,106	nm
	<u>(3,879)</u>	<u>2,106</u>	<u>nm</u>	<u>(1,414)</u>	<u>5,568</u>	<u>nm</u>

In 4Q2018, EWM made a loss of S\$2,970,000. While a major part of US operations ceased to generate revenue, costs had remained high due to an increasingly more difficult operating environment in the US. The SCM segment made a loss of S\$909,000 due to reduced working capital that had affected our ability to cope with price volatility especially in the last two quarters.

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**Gross (loss)/ profit by geographical locations:**

	4Q2018	4Q2017	Variance	FY2018	FY2017	Variance
	S\$' 000	S\$' 000	%	S\$' 000	S\$' 000	%
US Operations	(2,830)	1,892	nm	(1,383)	3,187	nm
Asia Operations*	(1,050)	214	nm	(31)	2,381	nm
<b>Group</b>	<b>(3,879)</b>	<b>2,106</b>	nm	<b>(1,414)</b>	<b>5,568</b>	nm

The US operations (primarily EWM in nature) saw a gross loss of S\$2,830,000 because of reasons as explained above. Asia operations saw a gross loss of S\$1,050,000 from both SCM and EWM segments.

**(iii) Net Other (Expenses)/ Income**

Net Other Expenses of S\$310,000 in 4Q2018 comprised unrealized foreign exchange gains, less certain provisions related to restoration of leased premises, legal expenses and statutory penalties.

**(iv) Distribution expenses**

Expenses decreased by 2.6% to S\$374,000 in 4Q2018, remaining mostly stable.

**(v) Administrative expenses**

Administrative expenses decreased by 8.9% to S\$1,079,000 in 4Q2018, primarily due to reduced factory lease expenses of the Singapore premises following a new lease which took effect on 26 November 2017, which was partially offset by increased expenses in the US operations.

**(vi) Finance expenses**

Finance expenses decreased by 10.9% to S\$57,000 in 4Q2018 largely due to reduced interest on convertible bonds and short term loans.

**(vii) Loss after income tax**

As a result of the above, the Group reported a loss after income tax of S\$5,708,000 in 4Q2018 as compared to profit of S\$391,000 in 4Q2017.

**(viii) Foreign currency translation difference**

Foreign currency translation difference increased by 178.6% to S\$78,000 in 4Q2018, mainly due to translation effects of US currency denominated reserves and capital of the US operations.

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

**Statement of financial position**

- (i) Property, plant and equipment decreased by S\$229,000 mainly due to depreciation and writeoffs, offset by new acquisitions.
- (ii) Restricted cash held in trust for regulatory obligations increased due to interest earned and effects of foreign exchange.
- (iii) Inventories decreased by S\$418,000 to S\$3.3 million as at 30 June 2018, mainly due to inventories written down to net realization value.
- (iv) Trade receivables decreased as at 30 June 2018 by S\$4.1 million as compared to 30 June 2017, partly due to revenue decreases in EWM operations in the US and SCM. EWM operations in the US ceased due to an environmental violation while SCM experienced lower revenue and settlement of balances before 30 June 2018.



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- (v) Other receivables for the Group as at 30 June 2018 decreased by S\$3,090,000 as compared to 30 June 2017, mainly due to higher unbilled revenues in the previous year.
- (vi) Other reserves comprised S\$67,000 in foreign exchange translation reserve.
- (vii) Trade and other payables as at 30 June 2018 decreased by S\$2.0 million, mainly due to the settlement of accrued purchases before 30 June 2018.
- (viii) Non-current provisions pertain to the reinstatement costs of the leased premises, while current provisions relate to penalties and legal expenses.
- (ix) Borrowings include a convertible bond of S\$1.0 million and a short term loan of \$1.0 million from a third party.

#### **Cash flow statement**

Net cash generated from operating activities of the Group in 4Q2018 was S\$1,581,000 which was mainly due to deferred payment of certain trade payables.

Net cash used in the investing activities of the Group in 4Q2018 was S\$42,000, largely due to the acquisition of plant and equipment.

Net cash used in financing activities of the Group in 4Q2018 was S\$21,000 due to repayment of finance lease. There was also repayment of non-convertible bond of S\$1 million, which was offset by a short term loan from a controlling shareholder of the same amount.

As a result of the above, the Group's cash and cash equivalents as of 30 June 2018 increased by S\$1,518,000.

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

There is no material variance with the commentary previously disclosed in the results announcement for the financial period ended 31 March 2018.

#### **10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Company suffered three consecutive quarters of losses from 2Q2018 to 4Q2018 which brought the full year FY2018 loss to S\$7.8m. Despite the Company turning in a profit in FY2017 after two previous years of losses, it shows that there are still major challenges facing the Company, primarily, the strict environmental regulations, high costs and stiff competitions affecting the EWM business in US and Singapore.

The Company intends to expand its SCM business further, which comprised more than 70% of the Group's total revenue in FY2018. In comparison with the EWM business, the SCM business requires lower fixed asset investment and has a lower running cost because the Group has adopted an asset-light approach, relying on third party resources for services such as warehousing and other logistics functions. Given that metal prices have recently softened to a more realistic level, the operating environment for our SCM business has improved. However, the Group will need more working capital for the expansion.

Ongoing global trade disputes, especially between China and the US, would have a negative impact on both the EWM and SCM businesses.

*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 result of a number of risks, uncertainties and assumptions. Representative examples of these factors include*

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*(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. Shareholders and potential investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisors if they have any doubt about the actions they should take.*

## **11. Dividend**

### **(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

No.

### **(b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

### **(c) Date of payable**

Not applicable.

### **(d) Books closure date**

Not applicable.

## **12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or is recommended for the period under review.

## **13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.**

There were no interested party transactions above S\$100,000 during the financial year under review. The Group did not obtain any general mandate from its shareholders for IPTs.

During the financial year, interest payments to interested persons amounted \$16,200. For more details, please refer to our announcements dated 02 Jan 2018 & 13 April 2018.

## **14. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

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

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

The following table presents the results information regarding the Group's business segments for the years ended 30 June 2018 and 2017:

	E-Waste Management		Supply-Chain Management		Corporate/other		Adjustments and eliminations		Per consolidated financial statements	
	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000	2018 S\$'000	2017 S\$'000
<b>Revenue:</b>										
External customers	28,268	31,763	68,869	89,010	-	-	-	(311)	97,137	120,462
(Loss)/ Gain on disposal of property, plant and equipment	(17)	7	-	-	-	-	-	-	(17)	7
Property, plant and equipment written off	(30)	(45)	-	-	-	-	-	-	(30)	(45)
Reversal of impairment of property, plant and equipment	-	320	-	-	-	-	-	-	-	320
Inventory (written down) to net realisable value/ Reversal of previously written amounts	(740)	(70)	-	-	-	-	-	-	(740)	(70)
Bad debts recovered	17	-	-	-	-	-	-	-	17	-
Payables written off	-	-	14	-	19	-	-	-	33	-
(Amortization of)/ Reversal of restoration cost	(49)	90	-	-	-	-	-	-	(49)	90
Provision for penalties	(667)	-	-	-	-	-	-	-	(667)	-
Depreciation and amortisation	(610)	(687)	-	-	(4)	(3)	-	-	(614)	(690)
Unrealised gain/(loss) on investment in future contracts	(40)	35	4	(142)	-	-	-	-	(36)	(107)
Reversal of allowance for impairment on receivables	-	136	-	-	81	-	-	-	81	136
Segment (loss)/ profit before tax	(5,441)	2,847	(1,153)	(1,011)	(9,532)	(2,684)	8,312	1,768	(7,814)	920
Reportable segment assets	11,117	15,098	6,702	11,075	988	10,798	(2,253)	(11,939)	16,554	25,032
Capital expenditure	507	325	-	-	-	-	-	-	507	325
Reporting segment liabilities	40,770	39,310	8,557	11,500	1,676	3,109	(38,427)	(39,545)	12,576	14,374

	United States of America		Singapore		China		Malaysia		Total	
	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000	FY2018 S\$'000	FY2017 S\$'000
Gross Revenue	15,988	20,711	75,616	85,489	4,021	13,816	1,512	757	97,137	120,773
Less: inter-segment	-	(311)	-	-	-	-	-	-	-	(311)
External Revenue	15,988	20,400	75,616	85,489	4,021	13,816	1,512	757	97,137	120,462
Interest Expenses	(16)	-	(204)	(118)	-	(4)	-	-	(220)	(122)
Depreciation	(360)	(376)	(254)	(314)	-	-	-	-	(614)	(690)
Reporting segment (loss)/ profit before tax	(4,569)	1,702	(905)	324	(317)	(282)	16	92	(5,775)	1,836
Non-current assets	1,419	1,440	1,034	1,032	-	-	-	-	2,453	2,472

**16. In view of performance, the factors leading to any material changes in contributions to turnover and earnings by the business to geographical segments.**

Please refer to disclosure note 8(a).

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**17. A breakdown of sales**

	FY 2018 \$'000	FY 2017 \$'000	% increase/ (decrease) \$'000
Continued operations			
Sales reported for the first half year	56,985	49,882	14.2
Profit for the first half year	157	270	(41.9)
Sales reported for the second half year	40,152	70,580	(43.1)
(Loss)/ Profit for the second half year	(7,768)	603	nm

nm = not meaningful

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

Nil.

**19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Simon Eng	59	Brother	Executive Director January 2015	-
Andrew Eng	56	Brother	CEO December 2015	-

**On behalf of the Board of Directors**

**Simon Eng**  
Chairman and Executive Director

**Andrew Eng**  
CEO and Executive Director

**27 August 2018**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd., 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6757.*