



ADVANCE SCT LIMITED
(Registration No. 200404283C)

UNAUDITED FULL YEAR FINANCIAL STATEMENT FOR YEAR ENDED 31 DECEMBER 2013

PART I INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

1(a)(i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Year ended 31 Dec 2013 S\$'000	Group Year ended 31 Dec 2012 S\$'000	Increase/ (decrease) %	Note
Continuing operations:				
Revenue	75,326	37,326	102%	1
Cost of sales	(71,884)	(38,738)	86%	
Gross profit/(loss)	3,442	(1,412)	n.m.	2
Other operating income	502	5,046	-90%	3
Selling and distribution expenses	(615)	(781)	-21%	
Administrative expenses	(6,126)	(7,340)	-17%	4
Other expenses	(1,594)	(22,071)	-93%	
(Loss)/Profit from operations	(4,391)	(26,558)	-83%	
Net finance costs	(1,457)	(1,307)	11%	5
Share of associate's profit/(loss)	-	339	n.m.	
(Loss)/profit before income tax from operations	(5,848)	(27,526)	-79%	
Income tax	(63)	(49)	29%	
(Loss)/profit after income tax from operations	(5,911)	(27,575)	-79%	
Other comprehensive (loss)/income	347	(4,324)		
Total comprehensive (loss)/income	(5,564)	(31,899)		
Attributable to:				
Equity holders of the Company	(4,222)	(32,921)	-87%	
Non-controlling interests	(1,342)	1,022	n.m.	
	(5,564)	(31,899)	-83%	

Notes

1. Group turnover increased by 102% from S\$37.3 million to S\$75.3 million for the year ended 31 December 2013 ("FY2013") as a result of the consolidation of our Taiwan-based copper ball business, viz. Western Copper Co., Ltd. ("Western"). It became a subsidiary company during the year because of operational control as well as the Group's subscription of additional shares in the company. The increase of Western's revenue in the year is partly attributed to the copper ball manufacturing facilities in Kunshan, Jiangsu province in China, which was completed in the first half and started to generate revenue in the second half of the year.
2. The Group had managed to achieve a gross profit of about \$3.5 million despite the difficult operating environment, in particular the limited working capital and high financing costs mainly due to the legacy debts under the Scheme of Arrangement. The fairly low gross margin of 4.6% is because the bulk of the copper balls we sold in FY2013 were still bought from other vendors. This will improve in the coming as we will stop third-party supplies entirely by mid-year when the second line of copper ball facility is put into operation.
3. Other operating income comprises mainly of rental income of S\$106,000 from the leasing of some facilities, management fees of S\$159,000 from services rendered and realized exchange gain of S\$94,000.
4. The 17% decrease in administrative expenses is mainly the result of factory rental savings and lower labour costs brought about by the bulk sale of the Group's used equipment and inventory at the end of FY2012, which resulted in the closure or disposal of several recycling yards.
5. Financing costs increased because of fresh working capital loans taken up by the Company and its subsidiaries during the year to ease short-term liquidity tightness. The consolidation of Western contributed another S\$514,000 as a large portion of its working capital has been funded by factoring loans provided by banks in Taiwan.

(ii) The net profit/(loss) attributable to shareholders includes the following charges/(credits)

	Group Year ended 31 Dec 2013 S\$'000	Group Year ended 31 Dec 2012 S\$'000
Finance cost	1,456	1,307
Depreciation of property, plant and equipment	1,078	707
Unrealised loss on commodity future contracts	107	-
Net foreign exchange (gain)/loss	(94)	73
Net (gain)/loss on disposal of property, plant and equipment	142	606
Impairment loss on trade and other receivables	1,345	16,543
Loss/(gain) on disposal of subsidiaries	86	(4,020)
(Gain)/loss on deemed disposal of associate	(59)	55

1(a)(iii) Consolidated Statement of Comprehensive income

	Group Year ended 31 Dec 2013 S\$'000	Group Year ended 31 Dec 2012 S\$'000	Increase/ (decrease) %
Profit/(loss) for the year	<u>(5,911)</u>	<u>(31,025)</u>	-81%
Other comprehensive income			
Net translation difference relating to translation of financial statements and monetary items of investments of foreign subsidiaries	347	(874)	n.m.
Total comprehensive (loss) for the year	<u>(5,564)</u>	<u>(31,899)</u>	-83%
Total comprehensive (loss) attributable to :			
Equity holders of the Company	(4,222)	(32,921)	-87%
Non-controlling interest	<u>(1,342)</u>	<u>1,022</u>	n.m.
	<u>(5,564)</u>	<u>(31,899)</u>	

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

STATEMENT OF FINANCIAL POSITION

	Group As At 31 Dec 2013 S\$'000	Group As At 31 Dec 2012 S\$'000	Company As At 31 Dec 2013 S\$'000	Company As At 31 Dec 2012 S\$'000
Non-current assets				
Property, plant and equipment	6,403	6,157	-	-
Intangible assets	1,016	1,016	-	-
Investment in subsidiaries	-	-	3,596	3,182
Investment in associates	-	1,793	-	1,595
Other receivables	295	-	-	-
Financial receivables	7,027	5,736	-	-
	<u>14,741</u>	<u>14,702</u>	<u>3,596</u>	<u>4,777</u>
Current assets				
Inventories	2,467	1,920	-	-
Trade and other receivables	21,227	5,895	9,059	5,916
Financial receivables	133	542	-	-
Cash and bank balances	13,265	988	2,025	29
	<u>37,092</u>	<u>9,345</u>	<u>11,084</u>	<u>5,945</u>
Total assets	<u>51,833</u>	<u>24,047</u>	<u>14,680</u>	<u>10,722</u>
Current liabilities				
Trade and other payables	20,184	17,576	3,133	5,589
Interest-bearing liabilities	19,357	107	1,000	-
Current income tax payable	27	11	-	-
	<u>39,568</u>	<u>17,694</u>	<u>4,133</u>	<u>5,589</u>
Net current (liabilities)/assets	<u>(2,476)</u>	<u>(8,349)</u>	<u>6,951</u>	<u>356</u>
Non-current liabilities				
Interest-bearing liabilities	11,338	33,411	11,338	33,364
Deferred tax	254	383	-	-
Other payables	-	-	-	-
	<u>11,592</u>	<u>33,794</u>	<u>11,338</u>	<u>33,364</u>
Total liabilities	<u>51,160</u>	<u>51,488</u>	<u>15,471</u>	<u>38,953</u>
Net Assets/(liabilities)	<u>673</u>	<u>(27,441)</u>	<u>(791)</u>	<u>(28,231)</u>

Equity

Share capital	178,147	125,444	178,147	125,444
Capital reserve	(224)	(224)	-	-
Share application monies	9,510	31,386	9,510	31,386
Share option reserve	815	815	815	815
Revaluation reserve	1,245	1,245	-	-
Foreign currency translation account	107	(240)	-	-
Accumulated losses	(191,676)	(187,107)	(189,263)	(185,876)
Total attributable to equity holders of the Company	(2,076)	(28,681)	(791)	(28,231)
Non-controlling interest	2,749	1,240	-	-
Total equity/ (capital deficiency)	673	(27,441)	(791)	(28,231)

The Group has successfully turned around a negative asset situation. Total equity and net asset moved from a negative S\$27.441 million to a positive S\$0.673 million, though portion attributable to equity holders has remained negative. The Group expects this to improve as well, in the coming year.

1(c) Borrowings and debt securities (for the group)**Amount repayable in one year or less, or on demand**

	As at 31 Dec 2013		As at 31 Dec 2012	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Finance lease liabilities	227	-	45	-
Scheme Debt - Serviceable Loans	-	-	800	-
Total	<u>227</u>	<u>-</u>	<u>845</u>	<u>-</u>

Amount repayable after one year

	As at 31 Dec 2013		As at 31 Dec 2012	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Convertible Loans	96	-	1,316	-
Scheme Debt - Serviceable Loans	11,242	-	32,095	-
Total	<u>11,338</u>	<u>-</u>	<u>33,411</u>	<u>-</u>

In July 2011, when the Scheme of Arrangement related to the restructuring of the legacy debts came into effect, the remaining \$34.6 million of Scheme Debt - Serviceable Loans ("SL") were to be repaid over seven years. In this financial year alone, \$23.4 million was repaid via the issuance of shares. The SL has now been reduced to \$11.2 million. The company expects this amount to be reduced further this year.

With an improved balance sheet after 30 Aug 2013, when shareholders unanimously approved the Grant that allows Eligible Creditors to convert their serviceable loans into shares (the "Serviceable Debt Conversion Shares"), the company was able to borrow fresh cash to fund its working capital requirement. The new funds form a large part of the Cash and Bank Balances of \$13.3 million. The remaining portion consists of cash available in Western.

At the same time, debt level has increased because of consolidation of the short-term loans in Western, consisting of mainly loans through the factoring of accounts receivables.

1(d) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year

CASH FLOW STATEMENT	Group 31-Dec-13 S\$'000	Group 31-Dec-12 S\$'000
Cash flows from operating activities		
(Loss) before income tax, total	(5,848)	(27,526)
Adjustments for :		
Unrealized foreign exchange loss	166	73
Depreciation for property, plant and equipment	1,078	707
Interest expense	1,456	1,307
Interest income	(2)	-
Share option expenses	-	356
(Gain)/loss on disposal of an associate	(59)	55
Unrealised loss on commodity future contracts	107	-
(Gain)/loss on disposal of subsidiaries	86	(4,020)
Loss on disposal of property, plant and equipment	142	606
Share of profits/(loss) of associates	-	(339)
Property, plant and equipment write off	-	359
Impairment loss on trade and other receivables	1,345	16,543
Operating cash flows before working capital changes	(1,529)	(11,879)
Working capital changes		
Inventories	(265)	6,806
Trade and other receivables	(842)	(7,112)
Trade and other payables	8,413	11,220
Cash generated in operations	5,777	(965)
Interest paid	(770)	(1,307)
Interest income	2	-
Income tax (paid)/refund	(364)	(67)
Net cash (used in)/generated from operating activities	4,645	(2,339)
Cash flows from investing activities		
Net cash flow from acquisition of subsidiaries	3,082	(1,319)
Purchase of property, plant and equipment	(2,140)	(190)
Proceeds from disposal of property, plant and equipment	247	38
Net cash inflow from disposal of subsidiaries	798	237
Net cash used in investing activities	1,987	(1,234)

Cash flows from financing activities		
Advances from shareholders/director	3,670	1,182
Issuance of shares	2,000	-
Increase of finance lease creditors	73	(35)
Share issue expense	(128)	(52)
Net cash (used in)/ from financing activities	5,615	1,095
Net change in cash and bank balances	12,247	(2,478)
Effect of exchange rate changes on cash and cash equivalent	30	-
Cash and bank balances at beginning of financial year	988	3,466
Cash and bank balances at end of financial year	13,265	988

Net cash generated from operating activities has increased dramatically to S\$4.645 million, as compared to a negative of S\$2.339 million a year ago.

Working capital requirement will be higher from this year onward as we changed from being a trader of copper balls to a manufacturer, as raw materials have to be purchased in cash. Correspondingly gross margin will improve.

Activities in Singapore will continue to scale down. It started at the end of 2012 after we have disposed of the bulk of the aging equipment and inventory in the recycling division residing in New Tsingyi and Tsingtech Recycling through the Framework Agreement as announced throughout the year.

The company will continue to shift its emphasis from Singapore to Greater China and its focus from recycling to manufacturing.

Finance lease liabilities are secured against certain property, plant and equipment.

1(e) A statement (for the issuer and group) showing all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP 2013	Attributable to owners of the parent								Non-controlling interests	Equity
	Share capital	Capital reserve	Share application monies	Share options reserve	Foreign currency translation	Accumulated losses	Revaluation reserve	Total attributable to equity holders of the Company		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance as at 1 Jan 2013	125,444	(224)	31,386	815	(240)	(187,107)	1,245	(28,681)	1,240	(27,441)
Net Profit for the financial period	-	-	-	-	-	(4,569)	-	(4,569)	(1,342)	(5,911)
Other comprehensive income :										
Net exchange differences on translation of foreign entities' financial statements	-	-	-	-	347	-	-	347	-	347
Total comprehensive income for the period	-	-	-	-	347	(4,569)	-	(4,222)	(1,342)	(5,564)
Acquisition									2,851	2,851
Placement received	-	-	3,671	-	-	-	-	3,671	-	3,671
Issuance of shares upon conversion of Scheme Convertible Notes	25,547	-	(25,547)	-	-	-	-	-	-	-
Issuance of shares for debt settlements	25,284	-	-	-	-	-	-	25,284	-	25,284
Issuance of new shares	2,000	-	-	-	-	-	-	2,000	-	2,000
Exercise of share options	-	-	-	-	-	-	-	-	-	-
Share issue expenses	(128)	-	-	-	-	-	-	(128)	-	(128)
Balance as at 31 Dec 2013	178,147	(224)	9,510	815	107	(191,676)	1,245	(2,076)	2,749	673

GROUP 2012	Attributable to owners of the parent								Non-controlling interests	Equity
	Share capital	Capital reserve	Share application monies	Share options reserve	Foreign currency translation	Accumulated losses	Revaluation reserve	Total attributable to equity holders of the Company		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance as at 1 Jan 2012	121,870	458	32,299	479	829	(158,510)	4,500	1,925	1,161	3,086
Net loss for the financial year	-	-	-	-	-	(28,597)	-	(28,597)	1,022	(27,575)
Other comprehensive loss : Net exchange differences on translation of foreign entities' financial statements	-	-	-	-	(1,069)	-	-	(1,069)	-	(1,069)
Total comprehensive loss for the year	-	-	-	-	(1,069)	(28,597)	(3,255)	(32,921)	1,022	(31,899)
Issuance of shares upon conversion of Scheme Convertible Notes	1,376	-	(1,376)	-	-	-	-	-	-	-
Acquisition of interest of a subsidiary	1,320	-	(950)	-	-	-	-	370	-	370
Acquisition of interest of a subsidiary	910	(682)	-	-	-	-	-	228	1,197	1,425
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(2,140)	(2,140)
Issuance of share option	-	-	-	356	-	-	-	356	-	356
Issuance of share under share option	20	-	-	(20)	-	-	-	-	-	-
Share issue expenses	(52)	-	-	-	-	-	-	(52)	-	(52)
Capitalization of debts	-	-	1,417	-	-	-	-	1,417	-	1,417
Waiver of debt	-	-	(4)	-	-	-	-	(4)	-	(4)
Balance as at 31 Dec 2012	125,444	(224)	31,386	815	(240)	(187,107)	1,245	(28,681)	1,240	(27,441)

Company 2013	Share capital	Share application monies	Share options reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2013	125,444	31,386	815	(185,876)	(28,231)
Net profit for the financial year				(3,387)	(3,387)
Total recognized profit				(3,387)	(3,387)
Issuance of shares upon conversion of Scheme Convertible Notes	25,546	(25,546)	-	-	-
Placement received	-	3,670	-	3,670	3,670
Acquisition of interest of a subsidiary	-	-	-	-	-
Capitalization of debts	27,285	-	-	-	27,285
Issuance of share option	-	-	-	-	-
Exercise of share options	-	-	-	-	-
Share issuance expense	(128)			-	(128)
Balance as at 31 Dec 2013	178,147	9,510	815	(189,263)	(791)

Company 2012	Share capital	Share application monies	Share options reserve	Accumulated losses	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2012	121,870	32,299	479	(157,721)	(3,073)
Net profit for the financial year	-	-	-	(28,155)	(28,155)
Total recognized profit	-	-	-	(28,155)	(28,155)
Issuance of shares upon conversion of Scheme Convertible Notes	1,376	(1,376)	-	-	-
conversion of Scheme Convertible Notes	1,320	(950)	-	-	370
Acquisition of interest of a subsidiary	910	-	-	-	910
Disposal of subsidiaries	-	-	-	-	-
Issuance of share option	-	-	336	-	336
Issuance of share under share option	20	-	-	-	20
Share issue expenses	(52)	-	-	-	(52)
Capitalization of debts	-	1,417	-	-	1,417
Waiver of debt	-	(4)	-	-	(4)
Balance as at 31 Dec 2012	125,444	31,386	815	(185,876)	(28,231)

1(f) 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.

			Number of shares '000	S\$'000
As at 1 January 2013			1,174,572	125,444
Issuance of 17,006,800 ordinary shares for Scheme Convertible Notes			17,006	255.1
Issuance of 92,250 ordinary shares for Scheme Convertible Notes			92	1.5
Issuance of 83,703,703 ordinary shares for debt settlement			83,704	1,130.0
Issuance of 59,259,259 new ordinary shares			59,259	800.0
Issuance of 78,431,372 new ordinary shares			78,431	1,200.0
Issuance of 18,092,198 ordinary shares for Scheme Convertible Notes			18,092	255.1
Issuance of 126,752 ordinary shares for Scheme Convertible Notes			127	2.0
Issuance of 697,841,728 ordinary shares for Scheme Convertible Notes			697,842	9,700.0
Issuance of 4,992,337 ordinary shares for Scheme Convertible Notes			4,992	76.9
Issuance of 3,989,524 ordinary shares for Scheme Convertible Notes			3,990	58.6
Issuance of 18,485,507 ordinary shares for Scheme Convertible Notes			18,486	255.1
Issuance of 138,247 ordinary shares for Scheme Convertible Notes			138	2.1
Issuance of 526,315,790 ordinary shares for Scheme Convertible Notes			526,316	7,000.0
Issuance of 19,180,451 ordinary shares for Scheme Convertible Notes			19,180	255.1
Issuance of 149,054 ordinary shares for Scheme Convertible Notes			149	2.2
Issuance of 60,252,632 ordinary shares for Scheme Convertible Notes			60,253	801.3
Issuance of 468,311 ordinary shares for Scheme Convertible Notes			468	6.9
Issuance of 139,324,101 ordinary shares for Scheme Convertible Notes			139,324	1,936.6
Issuance of 1,091,494 ordinary shares for Scheme Convertible Notes			1,091	16.8
Issuance of 18,221,572 ordinary shares for Scheme Convertible Notes			18,222	255.1
Issuance of 144,839 ordinary shares for Scheme Convertible Notes			145	2.2
Expenses incurred in the issuance of shares				(55.0)
As at 30 June 2013			2,921,879	149,402

Issuance of 275,914,778 ordinary shares for Scheme Convertible Notes	275,915	2,401
Issuance of 13,307,500 ordinary shares for Scheme Convertible Notes	13,308	133
Issuance of 108,774,304 ordinary shares for Scheme Convertible Notes	108,774	827
Issuance of 1,150,362,207 ordinary shares for Scheme Convertible Notes	1,150,362	10,226
Issuance of 34,549,802 ordinary shares for Scheme Convertible Notes	34,550	256
Issuance of 139,316,528 ordinary shares for Scheme Convertible Notes	139,317	1,003
Issuance of 206,124,520 ordinary shares for Scheme Convertible Notes	206,125	1,505
Issuance of 591,336,337 ordinary shares for Scheme Convertible Notes	591,336	4,198
Issuance of 830,511,733 ordinary shares for Scheme Convertible Notes	830,512	5,515
Issuance of 39,969,798 ordinary shares for Scheme Convertible Notes	39,970	256

Issuance of 38,189,427 ordinary shares for Scheme Convertible Notes	38,189	256
Issuance of 47,414,907 ordinary shares for Scheme Convertible Notes	47,415	256
Issuance of 47,425,240 ordinary shares for Scheme Convertible Notes	47,425	256
Issuance of 227,692,240 ordinary shares for Scheme Convertible Notes	227,692	1,230
Issuance of 56,944,089 ordinary shares for Scheme Convertible Notes	56,944	256
Issuance of 54,549,689 ordinary shares for Scheme Convertible Notes	54,550	246
Expenses incurred in the issuance of shares		(75)
As at 31 December 2013		178,147

As at 31 December 2012 and 31 December 2013, there were no outstanding warrants.

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

The figures have not been reviewed or audited by our company's auditors.

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

N.A.

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

There are no new or revised FRSs issued and effective that is applicable to the Group for the financial year ending 31 December 2013. As such, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared to the audited financial statement as at 31 December 2012.

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

N.A.

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	
	31 Dec 2013	31 Dec 2012
Continuing Operations		
Earnings/(loss) per share (EPS) in cents		
i) Basic	(0.17)	(0.84)
ii) On a fully diluted basis	(0.12)	(0.82)

Basic earnings per share for the current and preceding years are calculated based on the weighted average number of shares of 3,543,946,855 * and 3,492,441,617 respectively (both excluding treasury shares).

* To calculate the number of new shares to be issued for the Scheme Convertible Notes, the conversion price used was \$0.00537, in accordance with the terms of the Scheme Convertible Notes.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:

- (a) current financial period reported on; and
 (b) immediately preceding financial year

	Group		Company	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Net asset value per share (in cents)	(0.03)	(2.44)	(0.01)	(1.87)

Net asset value per ordinary shares at 31 Dec 2013 and 31 Dec 2012 has been computed based on 6,784,150,665 and 1,174,571,731 respectively.

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
 (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on Profit and loss review

(A)(i) Income Statement

Please refer to the Notes to paragraph 1(a) for the review of the group's performance.

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

A(ii) Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.

2013	Manufacturing S\$'000	Recycling & supply chain management S\$'000	Wastewater treatment S\$'000	Corporate S\$'000	Discontinued Operations S\$'000	Adj & Elimination S\$'000	Total S\$'000
Revenue :							
Inter-segment	8,135	2,585	-	515	-	(11,235)	-
External	61,372	11,607	928	1,419	-	-	75,326
Total Revenue	69,507	14,192	928	1,934	-	(11,235)	75,326
Results:							
Interest income	2	-	-	-	-	-	2
Depreciation & amortization	(90)	(984)	(2)	(2)	-	-	(1,078)
Share of results of associates	-	-	-	-	-	-	-
Other non-cash income/(expenses)	179	307	-	93	-	-	579
Segment profit/(loss)	(1,574)	(1,380)	791	(3,685)	-	-	(5,848)
Segment assets	31,313	13,371	8,132	23,310	-	(24,293)	51,833
Segment liabilities	(26,114)	(17,745)	(3,932)	(24,519)	-	21,150	(51,160)

2012	Refinery/copper ball Manufacturing S\$'000	Recycling & supply chain management S\$'000	Testing & finishing services S\$'000	Corporate S\$'000	Discontinued Operations S\$'000	Adj & Elimination S\$'000	Total S\$'000
Revenue :							
Inter-segment	-	1,089	-	1,856	-	(2,945)	-
External	12,859	23,002	1,278	187	-	-	37,326
Total Revenue	12,859	24,091	1,278	2,043	-	(2,945)	37,326
Results:							
Interest income	-	-	-	599	-	-	599
Depreciation & amortization	(831)	(314)	(20)	(3)	-	-	(1,168)
Share of results of associates	23	-	-	-	-	-	23
Other non-cash income/(expenses)	(5)	(739)	-	(14,145)	-	-	(14,889)
Segment profit/(loss)	(1,693)	(10,473)	(808)	(19,324)	-	4,772	(27,526)
Segment assets	5,523	11,203	3,540	35,382	-	(31,601)	24,047
Segment liabilities	(3,711)	(13,077)	(2,357)	(53,426)	-	21,083	(51,488)

Revenue (by geographical region)	2013 S\$'000	2012 S\$'000
Singapore	12,209	21,408
China (PRC)	35,267	14,428
Malaysia	-	1,490
Taiwan	27,850	-
TOTAL	75,326	37,326

(B) Statement of Financial Position

The inventory level has increased despite a reduction in recycling business because of the copper ball inventory recorded in the newly-acquired Western.

Similarly, the significant increase in trade and other receivables as well as the current interest-bearing liabilities is the outcome of the consolidation of Western.

The increase in financial receivables is due to an improvement in the Group's wastewater treatment plant ("WWTP") in Shenyang, which operates under a Build Operate Transfer contract with the government in China, and the strengthening of the RMB against the SGD during the period.

Non-current interest-bearing liabilities have decreased because some Scheme Debts have been converted to share capital.

The increase in share capital by approximately \$53 million was the outcome of the conversion of Scheme Convertible Notes as well as the capitalization of Serviceable Debts by some Scheme Creditors, and the issuance of about \$2.0 million worth of new shares in the Company.

(C) Cashflow Statement

The cash inflow of S\$4.6 million from operating activities is mainly due to the increase of trade payable from Western and borrowing received by a subsidiary.

The cash inflow of S\$2.0 million from investing activities is due to the increase of S\$3.1 million from acquisition of Western and S\$0.80 million from disposal of Everglory Logistic offset by S\$2.1 million purchase of property plant and equipment which mainly consists of the manufacturing production line of Western in Suzhou China.

The cash inflow of S\$5.6 million from financing activities is due to the S\$2.0 million received for the new shares issued in the year and the S\$3.6 million placement money received before year end.

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

NIL

10. A commentary at the date of the announcement of the significant trends and the 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 general metal wastes recycling industry in Singapore and China will be even more competitive as the cost of land and labour continue to escalate. In addition, legal and tariff restrictions imposed by China for the import of such wastes will aggravate the situation.

The Group has acquired additional stake in an associate company in Taiwan, viz. Western Copper Co., Ltd., during the year. It now owns 52.7% of Western and has made the making and sale of copper balls its core business. It has built a factory in Kunshan, China, to serve its mainly Taiwanese clients within the country. In its announcement dated 24 December 2013, the Group made known its participation in the joint development of a hi-tech copper product and its plan to start manufacturing a new copper-based heat exchanger in China within the second half of 2014, alongside its copper ball manufacturing facilities. The products will be made and sold within the country, where major international generator companies have their production facilities.

The Group's move from recycling to manufacturing will help to reduce operational uncertainties as the copper products are better defined compared to general metal wastes, and the operating processes more structured and therefore easier to manage. However, the Group's business will continue to be affected by the fluctuation in commodity prices and world economic developments, especially in China where the bulk of its business is based.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

Name of Dividend :
Dividend Type :
Dividend rate :
Tax rate :

(b) Corresponding period of immediately preceding financial year

Any dividend recommend for the corresponding period of the immediately preceding financial year? No

Name of Dividend :
Dividend Type :
Dividend rate :
Tax rate :

(c) Date payable

N.A

(d) Books closure date

N.A

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

No dividend has been declared for year ended 31 December 2013.

13. Interested Person Transactions (“IPTs”)

The Group has not obtained a general mandate from shareholders for IPTs.

14. Negative confirmation of the Board Pursuant to Rule 705(5) of the Listing Manual.

The Board of Directors hereby confirms that to the best of its knowledge, nothing has come to their attention which may render the financial results of the whole year ended 31 December 2013 to be false and misleading in any material aspect.

15. General – Use of proceeds raised in offering pursuant to Chapter 8.

Reference is made to the announcements released on 28 October 2013, 24 December 2013, 3 January 2014 and 27 January 2014 (“Previous Announcements”) in relation to the subscription of 584,375,930 new ordinary shares in the capital of the Company at the issue price of S\$0.0065 per share.

The net proceeds raised from the Placement is S\$3,718,444. The Company had since utilized the net proceeds as follows:-

1. S\$1,000,000 (26.9%) in expanding the copper ball business via additional stake in Taiwan-based Western Copper Co., Ltd. (“Western”) as announced on 5 December 2013, bringing its stake in Western to 52.7%;
2. S\$1,300,000 (35.0%) in repaying some short-term borrowings as announced on 23 January 2014;
3. S\$1,000,000 (26.9%) in working capital including the purchase of new inventory in Germany and the United Kingdom; and
4. The balance of approximately S\$418,444 (11.2%) has been used for general working capital including staff cost and accrued interest on loans.

The Company had fully deployed the proceeds from this subscription.

BY ORDER OF THE BOARD
ADVANCE SCT LIMITED

Simon Eng
Executive Director and Chairman

26 February 2014