

(Company Registration No. 199206445M)

**UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE 2017 (“4Q2017”) AND YEAR ENDED 30 JUNE 2017 (“FY2017”).**

**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.**

|  | Note 8(a) | Group             |                   |                | Group             |                   |                |
|--|-----------|-------------------|-------------------|----------------|-------------------|-------------------|----------------|
|  |           | 4Q2017<br>S\$'000 | 4Q2016<br>S\$'000 | Inc/(Dec)<br>% | FY2017<br>S\$'000 | FY2016<br>S\$'000 | Inc/(Dec)<br>% |
| Revenue  | (i)       | 41,575            | 10,287            | 304.2          | 120,462           | 40,601            | 196.7          |
| Cost of sales  |           | (39,469)          | (10,690)          | 269.2          | (114,874)         | (42,498)          | 170.3          |
| <b>Gross profit/ (loss)</b>  | (ii)      | <b>2,106</b>      | <b>(403)</b>      | nm             | <b>5,588</b>      | <b>(1,897)</b>    | nm             |
| <b>Gross profit/ (loss) margin</b>   | (ii)      | <b>5.1 %</b>      | <b>(3.9) %</b>    |                | <b>4.6 %</b>      | <b>(4.7) %</b>    |                |
| Other (expenses)/ income - net   | (iii)     | (44)              | (409)             | (89.2)         | 1,737             | 918               | 89.2           |
| Distribution expenses  | (iv)      | (384)             | (256)             | 50.0           | (1,284)           | (1,142)           | 12.4           |
| Administrative expenses  | (v)       | (1,184)           | (1,115)           | 6.2            | (5,001)           | (4,866)           | 2.8            |
| Finance costs  | (vi)      | (64)              | (38)              | 68.4           | (120)             | (105)             | 14.3           |
| <b>Profit/ (Loss) before income tax</b>  |           | <b>430</b>        | <b>(2,221)</b>    | nm             | <b>920</b>        | <b>(7,092)</b>    | nm             |
| Income tax expense   |           | (39)              | -                 | nm             | (47)              | (5)               | 840.0          |
| <b>Profit/ (Loss) after income tax</b>   | (vii)     | <b>391</b>        | <b>(2,221)</b>    | nm             | <b>873</b>        | <b>(7,097)</b>    | nm             |
| Other comprehensive income, net of income tax:   |           |                   |                   |                |                   |                   |                |
| Foreign currency translation difference  |           | (28)              | (14)              | 100.0          | (11)              | (93)              | (88.2)         |
| <b>Total comprehensive income/ (loss) for the period attributable to the owners of the company</b> |           | <b>363</b>        | <b>(2,235)</b>    | nm             | <b>862</b>        | <b>(7,190)</b>    | nm             |

nm = not meaningful

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

|   | Group             |                   |                | Group             |                   |                |
|---|-------------------|-------------------|----------------|-------------------|-------------------|----------------|
|   | 4Q2017<br>S\$'000 | 4Q2016<br>S\$'000 | Inc/(Dec)<br>% | FY2017<br>S\$'000 | FY2016<br>S\$'000 | Inc/(Dec)<br>% |
| <b>Profit/ (Loss) before income tax is arrived at after charging the following:</b> |                   |                   |                |                   |                   |                |
| Depreciation of property, plant and equipment                                       | 154               | 417               | (63.1)         | 685               | 1,043             | (34.3)         |
| Operating lease expenses  | 1,310             | 913               | 43.5           | 3,838             | 2,415             | 58.9           |
| Interest expense  | 64                | 38                | 68.4           | 120               | 105               | 14.3           |
| <b>Other (expenses)/ income - net comprises principally the following:</b>          |                   |                   |                |                   |                   |                |
| Rental income   | 88                | 161               | (45.3)         | 415               | 446               | (7.0)          |
| Interest income   | 1                 | 4                 | (75.0)         | 27                | 17                | 58.8           |
| Insurance claim   | -                 | 1,112             | (100.0)        | 1,319             | 2,018             | (34.6)         |
| Government grant  | 4                 | 118               | (96.6)         | 70                | 118               | (40.7)         |
| Investment gain on future contracts - realised                                      | -                 | 136               | (100.0)        | -                 | 23                | (100.0)        |
| Investment (loss)/ gain on future contracts - unrealised                            | -                 | (113)             | (100.0)        | -                 | 34                | (100.0)        |
| Foreign currency exchange gain/ (loss) - realised                                   | 7                 | 100               | (93.0)         | (97)              | 108               | nm             |
| Foreign currency exchange (loss)/ gain - unrealised                                 | (87)              | 278               | nm             | 1                 | 267               | (99.6)         |
| Gain on disposal of plant and equipment   | -                 | 203               | (100.0)        | 7                 | 194               | (96.4)         |
| Property, plant and equipment written off   | (44)              | (818)             | (94.6)         | (44)              | (818)             | (94.6)         |
| Impairment on other financial asset   | -                 | (177)             | (100.0)        | -                 | (177)             | (100.0)        |
| Allowance for impairment on receivable  | -                 | (254)             | (100.0)        | -                 | (254)             | (100.0)        |
| Bad debt written off  | -                 | (27)              | (100.0)        | -                 | (27)              | (100.0)        |
| Reversal of/ (Provision for) restoration cost                                       | 90                | (250)             | nm             | 90                | (250)             | nm             |
| Fire related cost   | (543)             | (1,180)           | (54.0)         | (543)             | (1,180)           | (54.0)         |
| Reversal of allowance for impairment on receivables                                 | 132               | 378               | (65.1)         | 136               | 378               | (64.0)         |
| Reversal of impairment of property, plant and equipment                             | 320               | -                 | nm             | 320               | -                 | nm             |
| Miscellaneous   | (12)              | (80)              | (85.0)         | 36                | 21                | 71.4           |

nm = not meaningful

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**1(b)(i). A balance sheet (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-17<br>S\$'000 | 30-Jun-16<br>S\$'000 | 30-Jun-17<br>S\$'000 | 30-Jun-16<br>S\$'000 |
| <b>ASSETS</b>                                       |        |                      |                      |                      |                      |
| <b>Non-Current Assets</b>                           |        |                      |                      |                      |                      |
| Property, plant and equipment                       | (i)    | 2,146                | 2,215                | 9                    | 13                   |
| Subsidiaries  |        | -                    | -                    | 700                  | 800                  |
| Restricted cash held in trust                       | (ii)   | 326                  | 326                  | -                    | -                    |
| Trade and other receivables                         |        | -                    | -                    | 9,324                | 8,603                |
| Other financial asset                               | (iii)  | -                    | 511                  | -                    | 511                  |
|   |        | <u>2,472</u>         | <u>3,052</u>         | <u>10,033</u>        | <u>9,927</u>         |
| <b>Current Assets</b>                               |        |                      |                      |                      |                      |
| Inventories   | (iv)   | 3,678                | 2,806                | -                    | -                    |
| Trade receivables                                   | (v)    | 12,244               | 4,826                | -                    | -                    |
| Other receivables                                   | (vi)   | 2,905                | 2,754                | 566                  | 651                  |
| Cash and cash equivalents                           |        | 3,742                | 3,029                | 180                  | 116                  |
|   |        | <u>22,569</u>        | <u>13,415</u>        | <u>746</u>           | <u>767</u>           |
| <b>Total Assets</b>                                 |        | <b><u>25,041</u></b> | <b><u>16,467</u></b> | <b><u>10,779</u></b> | <b><u>10,694</u></b> |
| <b>EQUITY AND LIABILITIES</b>                       |        |                      |                      |                      |                      |
| <b>Equity attributable to owners of the Company</b> |        |                      |                      |                      |                      |
| Share Capital                                       |        | 176,346              | 176,346              | 176,346              | 176,346              |
| Other reserves                                      | (vii)  | 270                  | 281                  | -                    | -                    |
| Accumulated losses                                  |        | (165,958)            | (166,831)            | (168,657)            | (166,477)            |
| <b>Total Equity</b>                                 |        | <b><u>10,658</u></b> | <b><u>9,796</u></b>  | <b><u>7,689</u></b>  | <b><u>9,869</u></b>  |
| <b>LIABILITIES</b>                                  |        |                      |                      |                      |                      |
| <b>Non-Current Liabilities</b>                      |        |                      |                      |                      |                      |
| Non-convertible bond                                | (ix)   | 1,000                | -                    | 1,000                | -                    |
| Finance lease liabilities                           |        | 81                   | 122                  | -                    | -                    |
|   |        | <u>1,081</u>         | <u>122</u>           | <u>1,000</u>         | <u>-</u>             |
| <b>Current Liabilities</b>                          |        |                      |                      |                      |                      |
| Trade and other payables                            | (viii) | 12,261               | 6,508                | 1,090                | 825                  |
| Non-convertible bond                                | (ix)   | 1,000                | -                    | 1,000                | -                    |
| Finance lease liabilities                           |        | 41                   | 41                   | -                    | -                    |
|   |        | <u>13,302</u>        | <u>6,549</u>         | <u>2,090</u>         | <u>825</u>           |
| <b>Total Liabilities</b>                            |        | <b><u>14,383</u></b> | <b><u>6,671</u></b>  | <b><u>3,090</u></b>  | <b><u>825</u></b>    |
| <b>Total Equity and Liabilities</b>                 |        | <b><u>25,041</u></b> | <b><u>16,467</u></b> | <b><u>10,779</u></b> | <b><u>10,694</u></b> |

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

|                    | As at 30 June 2017 |           | As at 30 June 2016 |           |
|--------------------|--------------------|-----------|--------------------|-----------|
|                    | Secured            | Unsecured | Secured            | Unsecured |
|                    | S\$'000            | S\$'000   | S\$'000            | S\$'000   |
| <b>Bond issued</b> |                    |           |                    |           |
| Current            | 1,000              | -         | -                  | -         |
| Non-current        | 1,000              | -         | -                  | -         |
| <b>Total</b>       | <u>2,000</u>       | <u>-</u>  | <u>-</u>           | <u>-</u>  |

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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             |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | 4Q2017<br>S\$'000 | 4Q2016<br>S\$'000 | FY2017<br>S\$'000 | FY2016<br>S\$'000 |
| <b>Cash flow from operating activities</b>                               |                   |                   |                   |                   |
| Profit/ (Loss) before income tax   | 430               | (2,221)           | 920               | (7,092)           |
| Adjustments for:   |                   |                   |                   |                   |
| Inventories written down to net realisable value                         | 70                | -                 | 70                | -                 |
| Reversal of inventories written down                                     | -                 | -                 | -                 | (253)             |
| Bad debts written off  | -                 | 27                | -                 | 27                |
| Depreciation of property, plant and equipment                            | 154               | 417               | 685               | 1,043             |
| Allowance for impairment loss on other financial assets                  | -                 | 177               | -                 | 177               |
| Allowance for impairment loss on trade and other receivables             | -                 | 229               | -                 | 254               |
| Reversal of allowance for impairment loss on trade and other receivables | (132)             | (378)             | (136)             | (378)             |
| Gain on disposal of property, plant and equipment                        | -                 | (203)             | (7)               | (194)             |
| Property, plant and equipment written off                                | 44                | 818               | 44                | 818               |
| Reversal of impairment of property, plant and equipment                  | (320)             | -                 | (320)             | -                 |
| Interest expense   | 64                | 38                | 120               | 105               |
| Interest income  | (1)               | (4)               | (27)              | (17)              |
| (Reversal of)/ Provision for restoration cost                            | (90)              | 250               | (90)              | 250               |
| Provision for fire incident cost   | -                 | 1,079             | -                 | 1,079             |
| Loss/ (Gain) on future contracts - unrealised                            | 105               | 113               | 107               | (34)              |
| Loss/ (Gain) on foreign currency exchange - unrealised                   | 87                | (278)             | (1)               | (267)             |
| Operating cash flow before working capital changes                       | 411               | 64                | 1,365             | (4,482)           |
| <b>Changes in operating assets and liabilities</b>                       |                   |                   |                   |                   |
| Inventories  | 73                | 1,028             | (942)             | 205               |
| Trade and other receivables  | (5,337)           | (1,470)           | (7,486)           | 780               |
| Restricted cash held in trust  | 13                | (7)               | -                 | (11)              |
| Trade and other payables   | 5,249             | (436)             | 5,812             | (1,861)           |
| <b>Cash generated from/ (used in) operating activities</b>               | 409               | (821)             | (1,251)           | (5,369)           |
| Interest paid  | (64)              | (38)              | (120)             | (105)             |
| Interest received  | 1                 | 4                 | 27                | 17                |
| Income tax paid  | (8)               | (5)               | (16)              | (5)               |
| <b>Net cash flow from/ (used in) operating activities</b>                | 338               | (860)             | (1,360)           | (5,462)           |
| <b>Cash flows from investing activities</b>                              |                   |                   |                   |                   |
| Acquisition of property, plant and equipment                             | (15)              | (11)              | (323)             | (738)             |
| Proceeds from sale of property, plant and equipment                      | -                 | (362)             | 7                 | 4,624             |
| Proceeds from divestment of other financial assets                       | -                 | -                 | 410               | -                 |
| Acquisition of other financial asset                                     | -                 | -                 | -                 | (168)             |
| <b>Net cash (used in)/ generated from investing activities</b>           | (15)              | (373)             | 94                | 3,718             |
| <b>Cash flows from financing activities</b>                              |                   |                   |                   |                   |
| Repayment of finance lease liabilities                                   | (10)              | (11)              | (41)              | (144)             |
| Share issue expenses   | -                 | -                 | -                 | (208)             |
| Proceeds from issuance of non-convertible bond                           | -                 | -                 | 2,000             | -                 |
| Proceeds from share placement  | -                 | -                 | -                 | 4,219             |
| <b>Net cash (used in)/ generated from financing activities</b>           | (10)              | (11)              | 1,959             | 3,867             |
| <b>Net increase/ (decrease) in cash and cash equivalents</b>             | 313               | (1,244)           | 693               | 2,123             |
| <b>Cash and cash equivalents at beginning of financial year</b>          | 3,409             | 4,235             | 3,029             | 868               |
| <b>Effect of currency translation on cash and cash equivalents</b>       | 20                | 38                | 20                | 38                |
| <b>Cash and cash equivalents at end of financial year</b>                | <u>3,742</u>      | <u>3,029</u>      | <u>3,742</u>      | <u>3,029</u>      |

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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<br>Capital<br>S\$'000 | Currency<br>Translation<br>Reserve<br>S\$'000 | Accumulated<br>Losses<br>S\$'000 | Total<br>Equity<br>S\$'000 |
|---|-----------------------------|---|----------------------------------|----------------------------|
| <b>Group</b>                                    |                             |   |                                  |                            |
| <b>At 1 July 2016</b>                           | 176,346                     | 281   | (166,831)                        | 9,796                      |
| <b>Total comprehensive income for the year</b>  |                             |   |                                  |                            |
| Foreign currency translation                    | -                           | (11)  | -                                | (11)                       |
| Profit for the year                             | -                           | -   | 873                              | 873                        |
| Total comprehensive income for the year         | -                           | (11)  | 873                              | 862                        |
| <b>At 30 June 2017</b>                          | 176,346                     | 270   | (165,958)                        | 10,658                     |
| <b>At 1 July 2015</b>                           | 172,335                     | 374   | (159,734)                        | 12,975                     |
| <b>Total comprehensive income for the year</b>  |                             |   |                                  |                            |
| Foreign currency translation                    | -                           | (93)  | -                                | (93)                       |
| Loss for the financial year                     | -                           | -   | (7,097)                          | (7,097)                    |
| Total comprehensive income/ (loss) for the year | -                           | (93)  | (7,097)                          | (7,190)                    |
| Issue of share capital - share placement        | 4,219                       | -   | -                                | 4,219                      |
| Share issue expenses                            | (208)                       | -   | -                                | (208)                      |
| <b>At 30 June 2016</b>                          | 176,346                     | 281   | (166,831)                        | 9,796                      |
| <b>Company</b>                                  |                             |   |                                  |                            |
| <b>At 1 July 2016</b>                           | 176,346                     | -   | (166,477)                        | 9,869                      |
| <b>Total comprehensive income for the year</b>  |                             |   |                                  |                            |
| Loss for the year                               | -                           | -   | (2,180)                          | (2,180)                    |
| Total comprehensive loss for the year           | -                           | -   | (2,180)                          | (2,180)                    |
| <b>At 30 June 2017</b>                          | 176,346                     | -   | (168,657)                        | 7,689                      |
| <b>At 1 July 2015</b>                           | 172,335                     | -   | (155,849)                        | 16,486                     |
| <b>Total comprehensive income for the year</b>  |                             |   |                                  |                            |
| Loss for the year                               | -                           | -   | (10,628)                         | (10,628)                   |
| Total comprehensive loss for the year           | -                           | -   | (10,628)                         | (10,628)                   |
| Issue of share capital - share placement        | 4,219                       | -   | -                                | 4,219                      |
| Share issue expenses                            | (208)                       | -   | -                                | (208)                      |
| <b>At 30 June 2016</b>                          | 176,346                     | -   | (166,477)                        | 9,869                      |

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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, 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 outstanding in a class that is listed 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.**

There were no changes in the Company's share capital for the relevant period ended 30 June 2017.

There were 1,406,186,305 outstanding warrants as at 30 June 2017. If converted, these warrants potentially represent an increase of 33.3% in ordinary shares, which will increase the total share capital of the company to 5,624,745,221 ordinary shares.

There were no treasury shares or subsidiary holdings issued during the relevant period and as at 30 June 2017.

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

The number of ordinary shares issued as at 30 June 2017 and 30 June 2016 stood at 4,218,558,916.

**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 issued during the relevant period and as at 30 June 2017.

**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 sales, transfers, cancellation and/or use of subsidiary holding during the relevant period and as at 30 June 2017.

**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.

**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 those used in the audited financial statements for the year ended 30 June 2016.

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**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 2016. 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           |                 |
|---|-----------------|-----------------|-----------------|-----------------|
|   | 4Q2017<br>cents | 4Q2016<br>cents | FY2017<br>cents | FY2016<br>cents |
| <b>Earnings/ (Losses) per share for the Group attributable to equity holders of the Company</b> |                 |                 |                 |                 |
| i) Basic  | 0.0093          | (0.0533)        | 0.0207          | (0.1840)        |
| ii) On a fully diluted basis  | 0.0070          | (0.0533)        | 0.0155          | (0.1840)        |

The earnings/ (loss) per share for continuing business in 4Q2017 was calculated based on the weighted average number of ordinary shares of 4,218,558,916 and 5,624,745,221 respectively.

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

(a) Current financial period reported on; and

(b) Immediately preceding financial year.

|  | Group              |                    | Company            |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | 30-Jun-17<br>Cents | 30-Jun-16<br>Cents | 30-Jun-17<br>Cents | 30-Jun-16<br>Cents |
| <b>NAV per share based on issued share capital as at the end of the period</b> | 0.2526             | 0.2322             | 0.1823             | 0.2339             |

**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

(i) Revenue from continuing operations

For the quarter ended 30 June 2017 ("4Q2017"), the Group's revenue increased by 304.2% quarter-on-quarter ("qoq") to S\$41.6 million and by 196.7% period-on-period ("pop") to S\$120.5 million.

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8. (a) (i) (cont'd)

Sales by segments:

|                         | 4Q2017             | 4Q2016             | Variance     | FY2017              | FY2016             | Variance     |
|-------------------------|--------------------|--------------------|--------------|---------------------|--------------------|--------------|
|                         | S\$' million       | S\$' million       | %            | S\$' million        | S\$' million       | %            |
| E-Waste management      | 9.1                | 3.9                | 133.3        | 31.8                | 24.6               | 29.3         |
| Supply chain management | 32.1               | 6.7                | 379.1        | 89.0                | 17.3               | 414.5        |
|                         | <u>41.2</u>        | <u>10.6</u>        | <u>288.7</u> | <u>120.8</u>        | <u>41.9</u>        | <u>188.3</u> |
| Intersegment            | 0.4                | (0.3)              | nm           | (0.3)               | (1.3)              | (76.9)       |
| <b>Group</b>            | <b><u>41.6</u></b> | <b><u>10.3</u></b> | <b>303.9</b> | <b><u>120.5</u></b> | <b><u>40.6</u></b> | <b>196.8</b> |

Revenue from E-Waste management ("EWM") segment increased by 133.3% qoq, due to improved business sentiment in Asia and USA in the fourth quarter.

Supply Chain Management ("SCM") segment revenue increased by 379.1% qoq, which was made possible through the injection of \$2m raised from the bond issue in December 2016. This new fund injected into the business resulted in an expansion in the trading of standardized exchange-traded metal products.

Sales by geographical locations:

|                  | 4Q2017             | 4Q2016             | Variance     | FY2017              | FY2016             | Variance     |
|------------------|--------------------|--------------------|--------------|---------------------|--------------------|--------------|
|                  | S\$' million       | S\$' million       | %            | S\$' million        | S\$' million       | %            |
| US Operations    | 6.4                | 4.1                | 56.1         | 20.7                | 17.8               | 16.3         |
| Asia Operations* | 34.8               | 6.5                | 435.4        | 100.1               | 24.1               | 315.4        |
|                  | <u>41.2</u>        | <u>10.6</u>        | <u>288.7</u> | <u>120.8</u>        | <u>41.9</u>        | <u>188.3</u> |
| Intersegment     | 0.4                | (0.3)              | nm           | (0.3)               | (1.3)              | (76.9)       |
| <b>Group</b>     | <b><u>41.6</u></b> | <b><u>10.3</u></b> | <b>303.9</b> | <b><u>120.5</u></b> | <b><u>40.6</u></b> | <b>196.8</b> |

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

Revenue for the US business which is EWM in nature increased by 56.1% in 4Q2017 due to higher volume of electronic materials sold which boosted the revenue by approximately S\$2.3 million.

The significant increase in revenue of the Asia operations of 435.4% qoq in 4Q2017 was mainly due to the increase in trading volume of standardized exchange-traded metal products.

(ii) Gross Profit

Gross profit by segments:

|                         | 4Q2017       | 4Q2016       | Variance  | FY2017       | FY2016         | Variance  |
|-------------------------|--------------|--------------|-----------|--------------|----------------|-----------|
|                         | S\$' 000     | S\$' 000     | %         | S\$' 000     | S\$' 000       | %         |
| E-Waste management      | 1,969        | (603)        | nm        | 4,481        | (1,778)        | nm        |
| Supply chain management | 137          | 200          | (31.7)    | 1,107        | (119)          | nm        |
|                         | <u>2,106</u> | <u>(403)</u> | <u>nm</u> | <u>5,588</u> | <u>(1,897)</u> | <u>nm</u> |

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**Gross profit by geographical locations:**

|                  | 4Q2017       | 4Q2016       | Variance | FY2017       | FY2016         | Variance |
|------------------|--------------|--------------|----------|--------------|----------------|----------|
|                  | S\$' 000     | S\$' 000     | %        | S\$' 000     | S\$' 000       | %        |
| US Operations    | 1,892        | (230)        | nm       | 3,316        | (1,225)        | nm       |
| Asia Operations* | 214          | (173)        | nm       | 2,272        | (672)          | nm       |
| <b>Group</b>     | <b>2,106</b> | <b>(403)</b> | nm       | <b>5,588</b> | <b>(1,897)</b> | nm       |

nm = not meaningful

\*Asia operations cover Singapore operations, China operations and Malaysia operations as per previous announcement.

The Group registered its fourth consecutive quarter of positive gross profits bringing the total gross profit for FY2017 to \$5.6m. The improvements can be attributed to the successful operational restructuring and diversification efforts that started three financial years ago..

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

Net Other Expenses of S\$44,000 in 4Q2017 comprised mainly of fire related cost of S\$543,000 from US subsidiary (prior year's provision fully used up) which was offset reversal of allowance for impairment on receivables of S\$132,000, reversal of provision for restoration cost of S\$90,000 and reversal of impairment of property, plant and equipment of S\$320,000.

**(iv) Distribution expenses**

Distribution expenses increased by 50.0% qoq and 12.4% pop as a result of the increase in revenue.

**(v) Administrative expenses**

Administrative expenses increased by 6.2% qoq and 2.8% pop respectively.

**(vi) Finance costs**

Finance costs increased by 68.4% qoq and 14.3% pop respectively, mainly due to the interest payable on the non-convertible bond issued in 2Q2017.

**(vii) Profit/(Loss) after income tax**

As a result of the above, the Group reported net profit after income tax of S\$391,000 in 4Q2017 and profit of S\$873,000 in FY2017 respectively. This is the fourth consecutive quarter of reporting profit for the Group as compared to the corresponding losses of S\$2.2 million in 4Q2016 and S\$7.1 million in FY2016 respectively.

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

**Balance Sheet**

- (i)** Property, plant and equipment decreased mainly due to depreciation of S\$685,000, write-offs of S\$44,000; offset by acquisition of plant and equipment of S\$323,000 and reversal of impairment of S\$320,000.
- (ii)** No change in the restricted cash held in trust for regulatory obligations.
- (iii)** Other financial assets pertained to investment in the form of convertible debt in a mining company which was disposed on 22 September 2017.
- (iv)** Inventories increased by S\$872,000 to S\$3.7 million as at 30 June 2017, which is attributable to the increase of inventory in Asia operations.



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- (v) Trade receivables increased as at 30 June 2017 by S\$7.4 million as compared to 30 June 2016 which is in line with the increase in revenue, period to period.
- (vi) Other receivables for the Group as at 30 June 2017 increased by S\$151,000 as compared to 30 June 2016 mainly due to increase of the margin deposits held in futures account for open transactions as at 30 June 2017.
- (vii) Other reserves comprised S\$270,000 in foreign exchange translation reserve.
- (viii) Trade and other payables as at 30 June 2017 increased by S\$5.8 million due to increase in trading volume which resulted in increased trade payable balances, mainly from US operations and copper trading in Metech Reverselog Pte Ltd. The increase in other payables was mainly due to third party guarantees for trade receivables in China.
- (ix) Non-convertible bond pertained to S\$2.0 million bond issued through crowdfunding platform.

#### **Cash flow statement**

Net cash generated from operating activities of the Group in 4Q2017 amounted to S\$338,000 for the quarter. This is second consecutive quarter that the Group has reported positive operating cash flow.

Net cash used in investing activities of the Group in 4Q2017 amounted to S\$15,000, which was mainly contributed by the acquisition of property, plant and equipment.

Net cash used in financing activities of the Group in 4Q2017 was S\$10,000 due to repayment of finance lease liabilities.

As a result of the above, the Group's cash and cash equivalents as of 30 June 2017 increased by S\$313,000 in 4Q2017.

#### **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 2017.

#### **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 EWM and SCM businesses of the Group were transacted mainly based on prices set at the London Metal Exchange, specifically for gold, silver, palladium and copper. In FY2017 these metal prices continued to stay above the 2016 bottom which was overall positive for the EWM and SCM businesses.

Over the last three FYs, gold and silver prices seemed to have stabilised which will be good for the EWM and SCM businesses going forward. However, the strong upswings in palladium and copper prices, which are currently beneficial to the EWM and SCM businesses, also represent uncertainties which must be carefully watched in case the prices cannot be sustained. Hedging will be key to managing any sharp downtrends in prices. It must also be mentioned that a major drawback of higher prices is that more working capital will be needed to trade.

The EWM business is also subject to strict, periodic health and safety and environmental inspections which potentially can disrupt segregation and refining operations. On the other hand, continuing strong government and community support for proper E-Waste disposal will improve demands for the EWM business.

The Company will be returning 50% of the \$2m raised from the Bond Issue to Note-holders in December 2017 in accordance with the terms of the Bond Issue. This will have a negative impact on the trading volume of standardized

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exchange-traded metal products commencing from 2QFY2018. The Company has been actively looking for new funds to cover this shortfall as well as to finance new projects.

*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 (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.**

The Group did not obtain a general mandate from its shareholders for IPTs. There were no IPT transactions for the period under review.

## **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 2017 and 2016:

|  | E-Waste Management |                 | Supply-Chain Management |                 | Corporate/other |                 | Adjustments and eliminations |                 | Per consolidated financial statements |                 |
|--|--------------------|-----------------|-------------------------|-----------------|-----------------|-----------------|------------------------------|-----------------|---------------------------------------|-----------------|
|  | 2017<br>S\$'000    | 2016<br>S\$'000 | 2017<br>S\$'000         | 2016<br>S\$'000 | 2017<br>S\$'000 | 2016<br>S\$'000 | 2017<br>S\$'000              | 2016<br>S\$'000 | 2017<br>S\$'000                       | 2016<br>S\$'000 |
| <b>Revenue:</b>  |                    |                 |                         |                 |                 |                 |                              |                 |                                       |                 |
| External customers   | 31,763             | 24,631          | 89,010                  | 17,300          | -               | -               | (311)                        | (1,330)         | 120,462                               | 40,601          |
| Gain on disposal of property, plant and equipment  | 7                  | 194             | -                       | -               | -               | -               | -                            | -               | 7                                     | 194             |
| Allowance for impairment loss on other financial assets                                  | -                  | -               | -                       | -               | -               | (177)           | -                            | -               | -                                     | (177)           |
| Property, plant and equipment written off  | (44)               | (818)           | -                       | -               | -               | -               | -                            | -               | (44)                                  | (818)           |
| Reversal of impairment of property, plant and equipment                                  | 320                | -               | -                       | -               | -               | -               | -                            | -               | 320                                   | -               |
| Inventory (written down) to net realisable value/ Reversal of previously written amounts | (70)               | 253             | -                       | -               | -               | -               | -                            | -               | (70)                                  | 253             |
| Allowance for impairment loss on trade and other receivables                             | -                  | (173)           | -                       | -               | -               | (81)            | -                            | -               | -                                     | (254)           |
| Bad debt written off   | -                  | -               | -                       | -               | -               | (27)            | -                            | -               | -                                     | (27)            |
| Reversal of/ (Provision) for restoration cost  | 90                 | (250)           | -                       | -               | -               | -               | -                            | -               | 90                                    | (250)           |
| Provision for fire incident cost   | -                  | (1,080)         | -                       | -               | -               | -               | -                            | -               | -                                     | (1,080)         |
| Depreciation and amortisation  | (682)              | (1,039)         | -                       | -               | (3)             | (3)             | -                            | -               | (685)                                 | (1,042)         |
| Reversal of allowance for impairment on receivables                                      | 136                | 378             | -                       | -               | -               | -               | -                            | -               | 136                                   | 378             |
| Segment profit/ (loss) before tax  | 2,847              | (5,081)         | (1,011)                 | (484)           | (2,684)         | (14,212)        | 1,768                        | 12,685          | 920                                   | (7,092)         |

The following table presents the results information regarding the Group's geographical segments for the years ended 30 June 2017 and 2016:

|   | United States of America |                   | Singapore         |                   | China             |                   | Malaysia          |                   | Total             |                   |
|---|--------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | FY2017<br>S\$'000        | FY2016<br>S\$'000 | FY2017<br>S\$'000 | FY2016<br>S\$'000 | FY2017<br>S\$'000 | FY2016<br>S\$'000 | FY2017<br>S\$'000 | FY2016<br>S\$'000 | FY2017<br>S\$'000 | FY2016<br>S\$'000 |
| Gross Revenue                                     | 20,711                   | 17,848            | 85,489            | 18,098            | 13,816            | 5,562             | 757               | 423               | 120,773           | 41,931            |
| Less: inter-segment                               | (311)                    | (1,330)           | -                 | -                 | -                 | -                 | -                 | -                 | (311)             | (1,330)           |
| External Revenue                                  | 20,400                   | 16,518            | 85,489            | 18,098            | 13,816            | 5,562             | 757               | 423               | 120,462           | 40,601            |
| Interest Expenses                                 | -                        | (70)              | (116)             | (30)              | (4)               | (5)               | -                 | -                 | (120)             | (105)             |
| Depreciation                                      | (371)                    | (470)             | (314)             | (573)             | -                 | -                 | -                 | -                 | (685)             | (1,043)           |
| Reporting segment profit/(loss) before tax        | 1,702                    | (3,960)           | 324               | (1,403)           | (282)             | (230)             | 92                | 28                | 1,836             | (5,565)           |
| <b>Profit or loss</b>                             |                          |                   |                   |                   |                   |                   |                   |                   |                   |                   |
|   |                          |                   | FY2017<br>S\$'000 | FY2016<br>S\$'000 |                   |                   |                   |                   |                   |                   |
| Total profit or loss for reportable segments      |                          |                   | 1,836             | (5,565)           |                   |                   |                   |                   |                   |                   |
| Corporate and other unallocated items             |                          |                   | (2,684)           | (14,212)          |                   |                   |                   |                   |                   |                   |
| Elimination of inter-segment profit or loss items |                          |                   | 1,768             | 12,685            |                   |                   |                   |                   |                   |                   |
| Consolidated profit/ (loss) before income tax     |                          |                   | 920               | (7,092)           |                   |                   |                   |                   |                   |                   |

**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 2017<br>S\$'000 | FY 2016<br>S\$'000 | % increase/<br>(decrease) |
|---|--------------------|--------------------|---------------------------|
| Sales reported for the first half year  | 49,882             | 21,460             | 132                       |
| Profit/ (Loss) for the first half year  | 270                | (3,435)            | nm                        |
| Sales reported for the second half year | 70,580             | 19,141             | 269                       |
| Profit/ (Loss) for the second half year | 603                | (3,662)            | 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.**

|            | FY 2017<br>S\$'000 | FY 2016<br>S\$'000 |
|------------|--------------------|--------------------|
| Ordinary   | -                  | -                  |
| Preference | -                  | -                  |

**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  | 58  | Brother  | Executive Director January 2015                                       | -   |
| Andrew Eng | 55  | Brother  | CEO December 2015   | -   |

**On behalf of the Board of Directors**

**Simon Eng**  
Chairman and Executive Director

**Andrew Eng**  
CEO and Executive Director

**25 August 2017**

*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 Mah How Soon, Registered Professional, RHT Capital Pte. Ltd., Six Battery Road, 10-01, Singapore 049909, telephone (65) 6381 6757.*