ADVANCE SCT LIMITED
(Registration No. 200404283C)

UNAUDITED FULL YEAR FINANCIAL STATEMENT FOR YEAR ENDED 31 DECEMBER 2014

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 2014 S$'000	Group Year ended 31 Dec 2013 S$'000	Increase/ (decrease) %	Note
Continuing operations:				
Revenue	69,730	80,880	-13.79%	1
Cost of sales	(67,112)	(77,527)	-13.43%	
Gross profit	2,618	3,353	-21.92%	1
Other operating income	9,204	3,033	203.46	2
Selling and distribution expenses	(416)	(666)	-37.54%	
Administrative expenses	(7,085)	(6,603)	7.30%	
Other expenses	(977)	(4,632)	-78.91%	3
Profit/(Loss) from operations	3,344	(5,515)	N.M	
Net finance costs	(1,237)	(1,302)	-4.99%	4
Profit/(Loss)before income tax from operations	2,107	(6,817)	N.M	
Income tax	(46)	(137)	-66.42%	
Profit/ Loss after income tax from operations	2,061	(6,954)	N.M	
Attributable to:				
Equity holders of the Company	2,964	(6,342)	N.M	
Non-controlling interests	(903)	(612)	47.55%	
	2,061	(6,954)	N.M	

Notes

1. Group turnover decreased by 13.8% to S$69.7 million for the year ended 31 December 2014 ("FY2014") from S$80.9 million for the year ended 31 December 2013 ("FY2013"). The loss of revenue reflects the change of business focus from recycling to manufacturing in the year. Revenue in FY2013 included the remnants of the recycling business still in the Group while revenue for FY2014 consisted of the sale of copper balls and wastewater treatment fees. The Group had completed the disposal of its entire recycling business in FY2013 and increased its investment in the Taipei-based copper ball business (Western Copper Co., Ltd.) to 52.78% at the end of FY2013. Gross margin was lower in FY2014 as the new copper ball manufacturing facility in China had not yet reached the optimal level of operation.

2. Other operating income increased to S$9.2 million in FY2014, a large part of which came from the disposal of loss-making subsidiaries in the metal recycling and Printed Circuit Board-testing divisions. The Group is no longer engaged in these businesses. In FY2014, the Group was also able to recover some legacy debts.

3. Other expenses were lower in FY2014, as in the previous year certain provisions were made for litigation.

4. Finance costs continued to decrease in FY2014 as the Group had been able to reduce some interest-bearing trade facilities. Also, more of its Scheme Creditors had opted to convert their Scheme Debts into equity during the year.

5. The Group turned profitable in FY2014. Its investment in the wastewater treatment plant continued to generate positive returns; the loss-making subsidiaries in the old businesses had been disposed of well above their book value; and the recovery of some legacy debts had contributed to the bottom-line. While the copper ball business had faced a tough year with sliding copper prices and falling demand, it was able to maintain a significant level of revenue. The copper ball division is expected to contribute to the Group's profitability in FY2015 with the likely optimising of the new manufacturing facility, which will reduce the unit cost of production.

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

	Group Year ended 31 Dec 2014 S$'000	Group Year ended 31 Dec 2013 S$'000
Finance cost	1,237	1,302
Depreciation of property, plant and equipment	431	649
Write-back of impairment loss on trade and other receivables	(2,514)	(92)
Net foreign exchange loss/(gain)	95	(250)
Net (gain)/loss on disposal of property, plant and equipment	(1,094)	187
(Gain)/loss on disposal of subsidiaries	(2,434)	86
Unrealised loss on commodity forward contracts	368	107
Provision for doubtful debts	518	457

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

	Group Year ended 31 Dec 2014 S$'000	Group Year ended 31 Dec 2013 S$'000	Increase/ (decrease) %
Profit/(loss) for the year	2,061	(6,954)	N.M
Other comprehensive income			
Net translation difference relating to translation of financial statements and monetary items of investments of foreign subsidiaries	354	277	-9.49%
Total comprehensive profit/(loss) for the year	2,415	(6,677)	N.M
Total comprehensive profit/(loss) attributable to:			
Equity holders of the Company	3,318	(6,077)	N.M
Non-controlling interest	(903)	(600)	-50.5%
	2,415	(6,677)	N.M

1(b)(i) 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 2014 S$'000	Group As At 31 Dec 2013 S$'000	Company As At 31 Dec 2014 S$'000	Company As At 31 Dec 2013 S$'000
Non-current assets				
Property, plant and equipment	3,439	2,626	-	-
Intangible assets	1,714	1,016	-	-
Investment in subsidiaries	-	-	937	3,596
Other receivables	-	-	-	-
Financial receivables	7,359	7,027	-	-
	12,512	10,669	937	3,596
Current assets				
Inventories	3,621	2,757	-	-
Prepayments	811	554	1	10
Trade and other receivables	15,656	19,529	8,985	5,675
Financial receivables	126	132	-	-
Cash and bank balances	7,671	13,332	388	2,025
	27,885	36,304	9,374	7,710
Assets classified as held for sale	85	2,140	85	-
Current assets	27,970	38,444	9,459	7,710
Total assets	40,482	49,113	10,396	11,306
Current liabilities				
Trade and other payables	9,404	16,794	3,169	6,109
Interest-bearing liabilities	14,270	20,438	-	1,562
Current income tax payable	-	4	-	-
Finance lease liabilities	228	-	-	-
Liabilities directly associated with assets classified as held for sale	-	1,338	-	-
	23,902	38,574	3,169	7,671
Net current assets/(liabilities)	4,068	(130)	6,290	39
Non-current liabilities				
Interest-bearing liabilities	5,576	10,776	5,576	10,776
Deferred tax	438	254	-	-
Finance lease liabilities	192	-	-	-
	6,206	11,030	5,576	10,776
Total liabilities	30,108	49,604	8,745	18,447
Net Assets/(liabilities)	**10,374**	**(491)**	**1,651**	**(7,141)**

Equity				
Share capital	195,155	178,147	195,155	178,147
Capital reserve	(146)	(361)	-	-
Share application monies	1,127	9,510	1,127	9,510
Share option reserve	815	815	815	815
Revaluation reserve	-	1,245	-	-
Foreign currency translation account	276	25	-	-
Accumulated losses	(189,243)	(193,452)	(195,446)	(195,613)
Total attributable to equity holders of the Company	7,984	(4,071)	1,651	(7,141)
Non-controlling interest	2,390	3,580	-	-
Total equity/ (capital deficiency)	**10,374**	**(491)**	**1,651**	**(7,141)**

Notes

1. Property, plant and equipment have increased from S$2.6 million in 31 Dec 2013 to S$3.4 million in 31 Dec 2014. The gain from the purchase of new plant and equipment for the heat-exchanger business was partially reduced by the sale of equipment in the recycling business.

2. The Group's wastewater treatment plant is classified as 'financial receivables' under non-current assets. This is based on a 30-year Build Operate and Transfer ("BOT") contract with the municipal government in China. The increase in balance was due to additional investment in the plant and the amount was offset with amortization expenses during FY2014.

3. Inventory levels increased in 31 Dec 2014 due mainly to higher level of stocks held for the copper ball business in Greater China.

4. Trade and other receivables were generated mainly by the copper ball business. Interest-bearing liabilities were trade financings via the factoring of receivables and short-term loans to support the purchase of raw materials. Trade payables had fallen in line with the reduced business activities, mainly metal recycling, in Singapore.

5. Despite having invested in expanding the existing copper ball factory and in new heat exchanger manufacturing facilities, as well as repaying some short-term loans, cash and cash equivalent remained at a healthy level of about S$7.7 million.

6. The increase in share capital by approximately $17 million was due mainly to the conversion of Scheme Convertible Notes by a few large Scheme Creditors, the capitalization of Serviceable Loan by a Scheme Creditor, as well as the issuance of $7 million worth of new shares in the Company.

7. The Group has returned to a positive equity position. Total equity now stands at S$10.4 million.

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

Amount repayable in one year or less, or on demand

	As at 31 Dec 2014		As at 31 Dec 2013	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Interest-bearing liabilities	14,270	-	20,438	-
Total	14,270	-	20,438	-

Amount repayable after one year

	As at 31 Dec 2014		As at 31 Dec 2013	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Scheme Debt (a)	1	-	96	-
Scheme Debt (c)	5,575	-	10,680	-
Total	5,576	-	10,776	-

The Scheme Debts (a) and (c), which are interest-bearing, are defined below. These debts have been reduced further during 2014 as more Scheme Creditors chose to convert the debts into equity.

The Scheme of Arrangement approved in 2011 to govern the repayment of Eligible Debt (as defined below) of more than S$80 million or Scheme Debts have been separated into three discrete amounts:

(a) the first tranche of the restructured loan, at 1% of the Eligible Debt, shall be settled by the issuance of interest-bearing convertible notes, convertible to new shares in the capital of the Company;

(b) the second tranche of the restructured loan, at 49% of the Eligible Debt, shall be settled by the issuance of non-interest-bearing convertible notes, convertible to new shares in the capital of the Company; and

(c) The Serviceable Loan, at 50% of the Eligible Debt, shall be payable in instalments from the second anniversary of the Effective Date and be fully paid by the seventh anniversary of the Effective Date. At a shareholders meeting on 30 August 2013, the Serviceable Loan was made convertible to new shares in the capital of the Company in the same terms as (a) and (b).

Debts under (a) and (c) above have been reclassified under non-current liabilities and debts under (b) have been reclassified as share application monies in the balance sheets as at 31 December 2012.

Eligible Debt is defined as the Claim of a creditor of a Scheme Company under a Proof of Debt which is (1) subsequently admitted by the Scheme Manager in consultation with the Company and (2) the Adjudicated amount.

1(c) 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-14 S$'000	Group 31-Dec-13 S$'000
Cash flows from operating activities		
Profit/(loss) before income tax, total	2,007	(6,817)
Adjustments for :		
Unrealised future trading loss	368	107
Unrealised foreign exchange loss	-	95
Depreciation for property, plant and equipment	431	649
Interest expense	1,237	1,302
Interest income	(4)	(3)
Goodwill written off	-	560
Impairment loss on property, plant and equipment	-	109
(Gain)/loss on deemed disposal of an associate	-	(536)
(Gain)/loss on disposal of subsidiaries	(2,434)	86
(Gain)/loss on disposal of property, plant and equipment	(1,094)	187
Loss on disposal of assets held for sale	-	-
Write back of impairment loss on trade and other receivables	(2,514)	(92)
Operating cash flows before working capital changes	(2,003)	(4,353)
Working capital changes		
Inventories	(834)	(552)
Trade and other receivables	3,482	2,761
Trade and other payables	(4,295)	4,852
Cash generated in operations	(4,650)	2,708
Interest paid	(1,136)	(1,302)
Interest income	4	3
Income tax paid	(54)	(199)
Net cash (used in)/generated from operating activities	**(4,836)**	**1,210**
Cash flows from investing activities		
Net cash (outflow)/inflow from acquisition of subsidiaries	(587)	4,611
Purchase of property, plant and equipment	(1,584)	(189)
Purchase of assets-held-for-sale, net	517	-
Proceeds from disposal of property, plant and equipment	2,700	374
Net cash inflow from disposal of subsidiaries	1,721	855
Net cash generated from investing activities	**2,767**	**5,651**
Cash flows from financing activities		
Repayment of borrowings	(6,168)	-
Increase in ordinary shares/shares application monies	7,029	5,671
Decrease/(Increase) in restricted cash deposits	1,598	(1,605)
Repayment of finance lease payables	(227)	(51)
Expense incurred in issuance of shares	(238)	(130)
Net cash (used in)/generated from financing activities	**(1,372)**	**3,885**
Net change in cash and bank balances	(4,063)	10,746
Effect of exchange rate changes on cash and cash equivalent	-	-
Cash and bank balances at beginning of financial year	11,734	988
Cash and bank balances at end of financial year	**7,671**	**11,734**

Notes

Cash used from operating activities of S$4.8 million is the outcome of increase of trade receivables from copper ball business and decrease in trade payments in the metal recycling business.

The cash generated from investing activities of S$2.7 million is the sum received from the disposal of subsidiaries and the proceeds from the sale of some property plant and equipment.

The cash used from financing activities of S$2.0 million is the net amount arising from the repayment of loans, less the S$8.9 million received for the new shares issued in FY2014.

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1(d)(i) 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.

	← Attributable to the equity holders of the Company →									
	Share capital S$'000	Capital reserve S$'000	Share application monies S$'000	Share option reserve S$'000	Foreign currency translation reserve S$'000	Revaluation reserve S$'000	Accumulated losses S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Equity S$'000
Group										
2014										
Balance at 1 January 2014	178,147	(361)	9,510	815	25	1,245	(193,452)	(4,071)	3,580	(491)
Net profit for the financial year	-	-	-	-	-	-	2,964	2,964	(903)	2,061
Other comprehensive income	-	-	-	-	354	-	-	354	-	354
Total comprehensive profit for the year	-	-	-	-	354	-	2,964	3,318	(903)	2,415
Transferred (to)/from accumulated losses	-	-	-	-	-	(1,245)	1,245	-	-	-
Issuance of ordinary shares	7,029	-	-	-	-	-	-	7,029	-	7,029
Conversion of Scheme Convertible Notes/serviceable loans to Shares	10,217	-	(8,383)	-	-	-	-	1,834	-	1,834
Acquisition of interest in subsidiaries	-	215	-	-	-	-	-	215	-	215
Disposal of subsidiaries	-	-	-	-	(103)	-	-	(103)	(287)	(390)
Share issue expenses	(238)	-	-	-	-	-	-	(238)	-	(238)
Balance at 31 December 2014	195,155	(146)	1,127	815	276	-	(189,243)	7,984	2,390	10,374

	← Attributable to the equity holders of the Company →									
	Share capital S$'000	Capital reserve S$'000	Share application monies S$'000	Share option reserve S$'000	Foreign currency translation reserve S$'000	Revaluation reserve S$'000	Accumulated losses S$'000	Total attributable to equity holders of the Company S$'000	Non-controlling interests S$'000	Equity S$'000
Group										
2013										
Balance at 1 January 2013	125,444	(224)	31,386	815	(240)	1,245	(187,107)	(28,681)	1,240	(27,441)
Net loss for the financial year	-	-	-	-	-	-	(6,342)	(6,342)	(612)	(6,954)
Other comprehensive income	-	-	-	-	265	-	-	265	12	277
Total comprehensive loss for the year	-	-	-	-	265	-	(6,342)	(6,077)	(600)	(6,677)
Transferred from accumulated losses	-	3	-	-	-	-	(3)	-	-	-
Issuance of ordinary shares	2,000	-	-	-	-	-	-	2,000	-	2,000
Share application monies	-	-	3,671	-	-	-	-	3,671	-	3,671
Conversion of Scheme Convertible Notes/serviceable loans to Shares	49,703	-	(25,547)	-	-	-	-	24,156	-	24,156
Acquisition of interest in subsidiaries	-	-	-	-	-	-	-	-	2,910	2,910
Loss on dilution on interest in subsidiary	-	(140)	-	-	-	-	-	(140)	140	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(110)	(110)
Share issue expenses	(130)	-	-	-	-	-	-	(130)	-	(130)
Capitalisation of eligible debts	1,130	-	-	-	-	-	-	1,130	-	1,130
Balance at 31 December 2013	178,147	(361)	9,510	815	25	1,245	(193,452)	(4,071)	3,580	(491)

Company 2014	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 2014	178,147	9,510	815	(195,613)	(7,141)
Net (loss) for the financial year				167	167
Total recognized (loss)				167	167
Issuance of shares upon conversion of Scheme Convertible Notes	10,217	(8,383)	-	-	1,834
Issuance of share option	7,029	-	-	-	7,029
Share issuance expense	(238)			-	(238)
Balance as at 31 Dec 2014	**195,155**	**1,127**	**815**	**(195,446)**	**1,651**

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 (loss) for the financial year				(13,407)	(13,407)
Total recognized (loss)				(13,407)	(13,407)
Issuance of shares upon conversion of Scheme Convertible Notes	25,546	(25,546)	-	-	-
Placement received	-	3,670	-	3,670	3,670
Capitalization of debts	27,285	-		-	27,285
Share issuance expense	(128)			-	(128)
Balance as at 31 Dec 2013	**178,147**	**9,510**	**815**	**(195,613)**	**(7,141)**

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.

	Number of shares '000	S$'000
Ordinary shares issued		
As at 1 January 2014	6,784,263	178,147
Issuance of 108,695,652 ordinary shares for debt settlement	109,462	504
Issuance of 69,444,444 ordinary shares for debt settlement	69,970	252
Issuance of 584,375,930 new ordinary shares	584,376	3,798
Issuance of 243,525,278 ordinary shares for Scheme Convertible Notes	244,992	882
Issuance of 81,081,081 ordinary shares for debt settlement	81,761	303
Issuance of 64,102,564 ordinary shares for debt settlement	64,664	252
Issuance of 221,983,038 ordinary shares for debt settlement	223,941	873
Issuance of 261,034,651 ordinary shares for Scheme Convertible Notes	262,791	1,130
Issuance of 78,125,000 ordinary shares for debt settlement	78,858	252
Issuance of 92,592,593 ordinary shares for debt settlement	93,499	252
Issuance of 92,592,593 ordinary shares for debt settlement	93,561	253
Issuance of 138,888,889 ordinary shares for debt settlement	140,456	253
Issuance of 66,666,667 ordinary shares for debt settlement	67,432	121
Issuance of 111,111,111 ordinary shares for debt settlement	112,386	202
Issuance of 66,666,667 ordinary shares for debt settlement	67,434	121
Issuance of 397,641,217 ordinary shares for debt settlement	402,234	724
Issuance of 105,263,158 ordinary shares for debt settlement	106,483	202
Issuance of 138,888,889 ordinary shares for debt settlement	140,519	253
Issuance of 527,777,778 ordinary shares for Scheme Convertible Notes	532,459	959
Issuance of 115,508,333 ordinary shares for Scheme Convertible Notes	116,536	210
Issuance of 138,888,889 ordinary shares for debt settlement	140,577	253
Issuance of 63,888,889 ordinary shares for Scheme Convertible Notes	64,464	116
Issuance of 55,555,555 ordinary shares for Scheme Convertible Notes	56,056	101
Issuance of 131,578,947 ordinary shares for debt settlement	133,236	253
Issuance of 57,447,220 ordinary shares for debt settlement	57,447	115
new ordinary shares	1,700,000	3,230
Issuance of 66,876,666 ordinary shares for Scheme Convertible Notes	66,873	120
Issuance of 265,770,595 ordinary shares for Scheme Convertible Notes	265,771	319
Issuance of 96,137,620 ordinary shares for Scheme Convertible Notes	96,138	115
Issuance of 182,466,515 ordinary shares for Scheme Convertible Notes	182,467	201
Issuance of 273,698,939 ordinary shares for Scheme Convertible Notes	273,699	301
Issuance of 100,361,538 ordinary shares for Scheme Convertible Notes	100,362	120
Issuance of 223,132,222 ordinary shares for Scheme Convertible Notes	223,132	201
Expenses incurred in the issuance of shares		(238)
As at 31 December 2014		**195,155**

Assuming all the CLAs (Note 1(b)(ii) (b)) are fully converted based on their conversion price, and the outstanding Scheme Convertible Notes were converted on 31 Dec 2014, the number of new ordinary shares to be issued would be 993,393,485 representing a 6.7% increase over the total number of issued shares of the Company as at 31 Dec 2014.

As at 31 December 2013 and 31 December 2014, 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 2014. 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 2013.

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 2014	31 Dec 2013
Continuing Operations		
Earnings/(loss) per share (EPS) in cents		
i) Basic	0.03	(0.18)
ii) On a fully diluted basis	0.03	(0.17)

Basic earnings per share for the current and preceding years are calculated based on the weighted average number of shares of 10,665,338,134* and 3,543,946,855 * 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 $0.00133, 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 2014	**31 Dec 2013**	**31 Dec 2014**	**31 Dec 2013**
Net asset value per share (in cents)	0.08	(0.03)	0.01	(0.01)

Net asset value per ordinary shares at 31 Dec 2014 and 31 Dec 2013 has been computed based on 13,738,295,734 and 6,784,150,665 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

The Group has reversed two consecutive years of losses to turn in a net profit after tax of S$2 million in FY2014. It has also recovered from a negative equity position to a positive equity position of about S$10.4 million. The Income Statement and Balance Sheet of the Group have both improved significantly.

Overall operational efficiency improved significantly during the period under review as a result of major corporate restructuring, which included the divestment of loss-making subsidiaries of the remaining two units in the legacy Printed Circuit Board-testing business, viz. SCT Technologies (Kunshan) Co., Ltd. in China and SCT Technologies (M) Sdn Bhd in Malaysia, as well as the disposal of the remnants of recycling business, viz. New Tsingyi Pte Ltd, Asiapac Metals Pte Ltd and SCT Copper Industry (Shenyang) Co., Ltd. The Group has rationalized its copper ball business. The manufacturing facility under Suzhou Western Metals Co., Ltd. is now directly owned by the Group, while the Taiwan-based Western Copper Co., Ltd. focuses on the sale of copper balls in and outside of China.

The Group's performance is helped in part by the recovery of a legacy debt in Malaysia. In February 2011, creditors of a former subsidiary in Malaysia, TTM Industries (M) Sdn Bhd ("TTMI"), voted in favour of a Scheme of Arrangement under Section 176 of the Companies Act (the "TTMI Scheme"). The Group became a major TTMI Scheme creditor. TTMI has since settled a suit with a major bank in Malaysia and disposed of its assets. The Group has recovered about Ringgit 1.80 million (ca. S$0.67 million). With the final distribution, TTMI has started the process of liquidation.

The following table presents the results information regarding the Group's business segments for the years ended 31 December 2014 and 2013:

	Waste water treatment		Recycling and supply chain management		Refinery/manufacturing/ smelting		Corporate/other		Adjustments and eliminations		Per consolidated financial statements	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Revenue:												
Inter-segment	-	-	-	-	5,002	-	-	-	(5,002)	-	-	-
External customers	1,114	1,197	(75)	5,291	68,691	79,885	-	-	-	(5,493)	69,730	80,880
Total revenue (Note 4)	1,114	1,197	(75)	5,291	73,693	79,885	-	-	(5,002)	(5,493)	69,730	80,880
Results:												
Interest income	-	-	65	-	22	3	30	-	(113)	-	4	3
Depreciation and amortisation	(7)	(2)	(33)	(354)	(363)	(293)	(28)	-	-	-	(431)	(649)
Share of results of associates	-	-	-	-	-	-	-	-	-	-	-	-
Impairment loss on property, plant and equipment	-	-	-	(109)	-	-	-	-	-	-	-	(109)
Bad debts (non-trade) written off	-	-	(29)	-	-	(83)	-	(707)	-	-	(29)	(790)
Other non-cash expenses	-	-	(489)	(204)	-	69	-	(1,653)	-	(171)	(489)	(1,959)
Segment profit/(loss)	791	791	157	491	(2,400)	(1,906)	149	(10,018)	3,410	3,825	2,107	(6,817)

	Waste water treatment		Recycling and supply chain management		Refinery/manufacturing / smelting		Corporate/other		Adjustments and eliminations		Per consolidated financial statements	
	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000	2014 S$'000	2013 S$'000
Assets:												
Segment assets	8,763	8,132	2,522	6,494	28,720	36,916	19,904	19,909	(19,427)	(22,338)	40,482	49,113
Segment liabilities	(3,794)	(3,685)	(5,225)	(12,452)	(22,640)	(15,196)	(18,673)	(10,105)	20,224	(8,166)	(30,108)	(49,604)

Geographical segments have not been presented as the Group operates predominantly in Greater China.

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 Group's core business is in the manufacturing of industrial copper products, after completing the divestments of its legacy Printed Circuit Board-testing and the recycling businesses in FY2014.

In the year, Suzhou Western Metal Co., Ltd., a subsidiary that manufactures copper balls at its Kunshan plant, has expanded its production capacity from 400 to 800 metric ton a month. The finished products are supplied to global electronics OEMs and ODMs that operate large-scale contract manufacturing facilities in China and Taiwan. The copper ball business is directly co-related to the performance of the PCB industry, which is affected by the slow down in the Chinese economy and the Eurozone crisis. A sustainable recovery in the US economy may provide relief to these negative impacts. The Group will increase marketing efforts to penetrate the US and Southeast Asia markets, reducing its dependence on China. It must also increase working capital to sustain its production at an optimal level so as to improve the gross margin.

Everglory Cooling Systems Pte. Ltd. ("ECS"), a subsidiary of the Group that manufactures Cuprobraze heat exchangers, has set up its manufacturing plant in Shenyang. ECS will start to produce these new-tech copper-based radiators from March 2015 and it is expected to generate revenue in FY2015 for the Group. The new-tech radiators, which are more corrosive-resistant and higher in heat transfer efficiency, will be supplied to diesel engine manufacturers and other power generator companies. ECS' manufacturing plant, located in the traditional heavy industrial region of the north-eastern provinces of China, is in proximity to its potential customers in China, the US and Japan.

Given that copper is the main raw material for the Group's core businesses, copper price gyrations will have a direct impact on the Group's performance. The Group has implemented a prudent hedging process that will mitigate the risk in this aspect.

Update on the two litigations in Singapore and China:

The Suit No. 648 of 2013 in Singapore has been discontinued. The Plaintiffs had filed a Notice of Discontinuance to the Court to voluntarily and unconditionally discontinue their claims. The remaining litigation in China may have unexpected consequences for the Group, though the probability of it happening is assessed to be low. Shareholders will be updated as and when there are developments in this matter.

11. Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding period of immediately preceding financial year

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

(c) Date 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 for year ended 31 December 2014.

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 2014 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 announcement released on 19 June 2014 ("Previous Announcement") in relation to the issue of 1,700,000,000 new ordinary shares in the capital of the Company at the issue price of S$0.0019 per share.

The net proceeds raised from the Placement is approximately S$3,141,000. The Company had since utilized the net proceeds as follows:-

- Approximately S$2,200,000 or about 70% of the Net Proceeds was used in expanding the copper ball business and heat-exchanger business, including the purchase of equipment and machinery, and the setting up of new production facilities;

- Approximately S$941,000 or about 30% of the Net Proceeds was used to provide general working capital for productions and operations, and improve current premises and facilities.

The Company had fully deployed the proceeds from this subscription.

BY ORDER OF THE BOARD
Advance SCT Limited

Song Tang Yih
Executive Director and President

16 February 2015