

## UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND HALF YEAR ENDED 30 JUNE 2020 ("2H2020") AND FINANCIAL YEAR ENDED 30 JUNE 2020 ("FY2020").

### PART 1 INFORMATION REQUIRED FOR ANNOUNCEMENTS FOR SECOND HALF YEAR 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		
		2H2020 S\$'000	2H2019 S\$'000	Inc/(Dec) %	FY2020 S\$'000	FY2019 S\$'000	Inc/(Dec) %
<b>Revenue</b>	(i)	<b>98</b>	39,936	(99.8)	<b>27,469</b>	86,529	(68.3)
Cost of sales		-	(40,290)	(100.0)	<b>(26,948)</b>	(85,953)	(68.7)
<b>Gross profit</b>	(ii)	<b>98</b>	(354)	nm	<b>521</b>	576	(9.6)
<b>Gross profit margin</b>		-	(0.9) %		<b>1.9</b> %	0.7 %	
Other income/(expenses) - net	(iii)	<b>4</b>	(384)	nm	<b>24</b>	(406)	nm
Distribution expenses		-	(2)	(100.0)	-	(8)	(100.0)
Administrative expenses	(iv)	<b>(454)</b>	(573)	(20.8)	<b>(1,305)</b>	(1,311)	(0.5)
Finance costs	(v)	<b>(50)</b>	(193)	(74.1)	<b>(214)</b>	(258)	(17.1)
<b>Loss before income tax</b>	(vi)	<b>(402)</b>	(1,506)	(73.3)	<b>(974)</b>	(1,407)	(30.8)
Income tax expense		<b>(17)</b>	-	nm	<b>(17)</b>	-	nm
<b>Loss from continuing operations</b>		<b>(419)</b>	(1,506)	(72.2)	<b>(991)</b>	(1,407)	(29.6)
<b>Profit from discontinued operations</b>		-	2,832	(100.0)	-	583	nm
<b>(Loss)/Profit after income tax</b>		<b>(419)</b>	1,326	nm	<b>(991)</b>	(824)	20.3
Other comprehensive income/(loss), net of income tax:							
Foreign currency translation difference	(vii)	<b>113</b>	(424)	nm	<b>98</b>	(233)	nm
<b>Total comprehensive (loss)/profit, for the period attributable to the owners of the company</b>		<b>(306)</b>	902	nm	<b>(893)</b>	(1,057)	(15.5)
<b>Total comprehensive (loss)/profit attributable to:</b>							
Owners of the parent		<b>(346)</b>	902	nm	<b>(933)</b>	(1,057)	(11.7)
Non-controlling interest		<b>40</b>	-	nm	<b>40</b>	-	nm
		<b>(306)</b>	902		<b>(893)</b>	(1,057)	

nm = not meaningful

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

	Group			Group		
	2H2020 S\$'000	2H2019 S\$'000	Inc/(Dec) %	FY2020 S\$'000	FY2019 S\$'000	Inc/(Dec) %
<b>1 Loss before income tax is arrived at after charging the following:</b>						
Depreciation of property, plant and equipment	323	175	nm	825	478	72.6
Interest expense	50	193	(74.1)	214	258	(17.1)
<b>2 Other income/(expenses) - net comprises principally of the following:</b>						
Rental income	360	398	(9.6)	945	398	137.4
Interest income	6	(14)	nm	18	5	260.0
Government grants	34	2	nm	34	3	1,033.3
Foreign currency exchange (loss)/gain - realised	(211)	(3)	nm	(258)	(50)	416.0
Foreign currency exchange gain/(loss) - unrealised	172	(105)	nm	214	(108)	nm
Payables written off	7	-	nm	7	7	-
Depreciation of property, plant and equipment	(287)	(77)	272.7	(789)	(77)	924.7
Impairment on property, plant and equipment	(164)	-	nm	(164)	-	nm
Impairment loss on receivables	(5)	-	nm	(37)	-	nm
Bad debts written off	(2)	-	nm	(2)	-	nm
Reinstatement expenses for leased premises	(76)	-	nm	(118)	-	nm
Provision for restoration cost	210	-	nm	210	-	nm
Rental expense	-	(375)	(100.0)	-	(375)	(100.0)
Legal expenses	-	(175)	(100.0)	-	(175)	(100.0)
Gain on termination of right-of-use assets	2	-	nm	2	-	nm
Miscellaneous	(42)	(35)	20.0	(38)	(34)	11.8

nm = not meaningful

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

	Note 8(b)	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30-Jun-20 S\$'000	30-Jun-19 S\$'000	30-Jun-20 S\$'000	30-Jun-19 S\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	(i)	246	479	-	1
Trade and other receivables		-	237	-	4,723
		<u>246</u>	<u>716</u>	<u>-</u>	<u>4,724</u>
<b>Current Assets</b>					
Inventories		-	13	-	-
Trade receivables	(ii)	99	78	-	-
Other receivables	(iii)	226	3,415	4,764	213
Contract assets	(iv)	-	3,855	-	-
Cash and cash equivalents		3,116	3,354	104	16
		<u>3,441</u>	<u>10,715</u>	<u>4,868</u>	<u>229</u>
<b>Total Assets</b>		<b><u>3,687</u></b>	<b><u>11,431</u></b>	<b><u>4,868</u></b>	<b><u>4,953</u></b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share Capital		179,010	177,480	179,010	177,480
Other reserves	(v)	(68)	(166)	-	-
Accumulated losses		(175,959)	(174,928)	(174,878)	(175,245)
		<u>2,983</u>	<u>2,386</u>	<u>4,132</u>	<u>2,235</u>
Non-controlling interest		40	-	-	-
<b>Total Equity</b>		<b><u>3,023</u></b>	<b><u>2,386</u></b>	<b><u>4,132</u></b>	<b><u>2,235</u></b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
Provisions	(vi)	-	410	-	-
Lease liabilities	(vii)	63	37	-	-
Borrowings	(ix)	-	1,000	-	1,000
		<u>63</u>	<u>1,447</u>	<u>-</u>	<u>1,000</u>
<b>Current Liabilities</b>					
Trade and other payables	(viii)	538	3,543	736	718
Contract liabilities	(iv)	-	103	-	-
Lease liabilities	(vii)	46	13	-	-
Borrowings	(ix)	-	3,939	-	1,000
Income tax payable		17	-	-	-
		<u>601</u>	<u>7,598</u>	<u>736</u>	<u>1,718</u>
<b>Total Liabilities</b>		<b><u>664</u></b>	<b><u>9,045</u></b>	<b><u>736</u></b>	<b><u>2,718</u></b>
<b>Total Equity and Liabilities</b>		<b><u>3,687</u></b>	<b><u>11,431</u></b>	<b><u>4,868</u></b>	<b><u>4,953</u></b>

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

	As at 30-Jun-20		As at 30-Jun-19	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-Current and Current</b>				
Non-Convertible bond*	-	-	2,000	-
Loan from third party	-	-	-	2,939
<b>Total</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>2,000</u></b>	<b><u>2,939</u></b>

\* Please refer to announcement dated 10 January 2019 for further details

**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	
	2H2020 S\$'000	2H2019 S\$'000	FY2020 S\$'000	FY2019 S\$'000
<b>Cash flow from operating activities</b>				
Loss before income tax				
From continuing operations	(402)	(1,506)	(974)	(1,407)
From discontinued operations	-	2,826	-	583
Adjustments for:				
Depreciation of property, plant and equipment	323	175	825	478
Interest expense	50	204	214	275
Interest income	(6)	-	(18)	(22)
Payables written off	(7)	(31)	(7)	(38)
Gain on disposal of subsidiaries	-	(6,031)	-	(6,031)
Gain on disposal of property, plant and equipment	-	(51)	-	(40)
Impairment on receivables	5	1,313	37	1,313
Impairment on property, plant and equipment	164	138	164	138
Reinstatement expenses for leased premises	76	83	118	83
Provision for restoration cost	(210)	-	(210)	-
Unrealised loss on futures contracts	22	25	-	25
(Gain)/Loss on foreign currency exchange - unrealised	(145)	105	(187)	108
Gain on termination of right-of-use assets	(2)	-	(2)	-
Operating cash flow before working capital changes	(132)	(2,750)	(40)	(4,535)
<b>Changes in operating assets and liabilities</b>				
Inventories	-	1,944	13	2,877
Trade and other receivables	1,102	232	7,535	(1,049)
Trade and other payables	(1,473)	(2,751)	(3,431)	248
<b>Cash generated (used in)/from operations</b>	(503)	(3,325)	4,077	(2,459)
Interest paid	(50)	(204)	(214)	(275)
Interest received	6	-	18	22
Income tax paid	-	-	-	(6)
<b>Net cash generated (used in)/from operating activities</b>	(547)	(3,529)	3,881	(2,718)
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	-	(5)	-	(77)
Proceeds from disposal of property, plant and equipment	-	(47)	-	-
Net cash inflow from disposal of subsidiaries	-	350	-	350
<b>Net cash generated from investing activities</b>	-	298	-	273
<b>Cash flows from financing activities</b>				
Repayment of lease liabilities	(241)	(15)	(683)	(32)
(Repayment of)/Proceeds from third parties loan - net	(1,950)	2,807	(4,939)	2,939
Proceeds from shares placement	-	-	1,530	-
<b>Net cash (used in)/generated from financing activities</b>	(2,191)	2,792	(4,092)	2,907
<b>Net (decrease)/increase in cash and cash equivalents</b>	(2,738)	(439)	(211)	462
<b>Cash and cash equivalents at beginning of financial period</b>	5,881	3,810	3,354	2,909
<b>Effect of currency translation on cash and cash equivalents</b>	(27)	(17)	(27)	(17)
<b>Cash and cash equivalents at end of financial period</b>	<u>3,116</u>	<u>3,354</u>	<u>3,116</u>	<u>3,354</u>

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

	Share Capital S\$'000	Currency Translation Reserve S\$'000	Accumulated Losses S\$'000	Total S\$'000	Non- controlling interest S\$'000	Total S\$'000
<b>Group</b>						
<b>At 1 July 2019</b>	177,480	(166)	(174,928)	2,386	-	2,386
Loss for the financial year	-	-	(1,031)	(1,031)	40	(991)
Other comprehensive (loss)/income -						
Foreign currency translation	-	98	-	98	-	98
<b>Total comprehensive income/(loss) for the period</b>	-	98	(1,031)	(933)	40	(893)
Share placement	1,530	-	-	1,530	-	1,530
<b>At 30 June 2020</b>	179,010	(68)	(175,959)	2,983	40	3,023
<b>At 1 July 2018</b>	177,480	67	(173,640)	3,907	-	3,907
Adjustment on adoption of SFRS(I) 15	-	-	(464)	(464)	-	(464)
	177,480	67	(174,104)	3,443	-	3,443
Loss for the financial year	-	-	(824)	(824)	-	(824)
Other comprehensive expenses -						
Foreign currency translation	-	227	-	227	-	227
Foreign currency translation - discontinued operations	-	(460)	-	(460)	-	(460)
<b>Total comprehensive (loss)/income for the period</b>	-	(233)	(824)	(1,057)	-	(1,057)
<b>At 30 June 2019</b>	177,480	(166)	(174,928)	2,386	-	2,386

	Share Capital S\$'000	Accumulated Losses S\$'000	Total S\$'000
<b>Company</b>			
<b>At 1 July 2019</b>	177,480	(175,245)	2,235
Profit for the financial year	-	367	367
<b>Total comprehensive income for the period</b>	-	367	367
Share placement	1,530	-	1,530
<b>At 30 June 2020</b>	179,010	(174,878)	4,132
<b>At 1 July 2018</b>	177,480	(174,649)	2,831
Loss for the financial year	-	(596)	(596)
<b>Total comprehensive loss for the period</b>	-	(596)	(596)
<b>At 30 June 2019</b>	177,480	(175,245)	2,235

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

	FY2020		FY2019	
	No. of Shares	S\$'000	No. of Shares	S\$'000
Balance as at 1 July	90,039,655	177,480	4,501,984,229	177,480
Share consolidation	-	-	(4,411,944,574)	-
Share placement	10,000,000	1,530	-	-
<b>Balance as at 30 June</b>	<b>100,039,655</b>	<b>179,010</b>	<b>90,039,655</b>	<b>177,480</b>

In October 2019, the Company had issued 10,000,000 shares pursuant to the placement for an aggregate consideration of S\$1,530,000.

There were 10,000,000 ordinary shares that may be issued on conversion of all outstanding warrants as at 30 June 2020 (30 June 2019: NIL).

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

The total number of ordinary shares issued, excluding treasury shares and subsidiary holdings as at 30 June 2020 and 30 June 2019 were 100,039,655 and 90,039,655 respectively.

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

Not applicable as the Company does not have any treasury shares.

**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.**

Not applicable as the Company does not have any subsidiary that holds shares issued by the Company.

**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 modifications or emphasis of a matter).**

Not applicable. Refer to paragraph 2.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

**This is not required for any audit issue that is a material uncertainty relating to going concern. Not applicable.**

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.**

Except as disclosed in Item 5 below, the Group had applied the same accounting policies and methods of computation to the financial statements in the current reporting period as with the audited financial statements for the financial year ended 30 June 2019.

**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.**

During the current financial period, the Group has adopted the new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases ("SFRS(I) 16") which took effect from financial year beginning 1 July 2019. The Group has applied the modified restrospective approach and did not restate comparative amounts for year prior to first adoption.

Under the new SFRS(I) 16, an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset) and the corresponding liability for the obligation to make lease payments (i.e. the lease liability) are recognized ("ROU"). Interest expense on the lease liability and the depreciation expense on the ROU asset are recognised separately in the income statement.

ROU assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

On 1 July 2019, the Group recognised right-of use assets of S\$1.22 million and lease liabilities of S\$1.22 million. When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted average rate applied is about 5.25% per annum.

**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	
	2H2020 Cents	2H2019 Cents	FY2020 Cents	FY2019 Cents
<b>(Loss)/Earnings per share for the Group attributable to equity holders of the Company</b>				
i) Continuing operations	(0.4188)	(1.6726)	(1.0201)	(1.5626)
ii) Discontinued operations	-	3.1453	-	0.6475

The earnings per share for continuing business in 2H2020 and 2H2019 were calculated based on the weighted average number of ordinary shares of 100,039,655 and 90,039,655 respectively.

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

- (a) Current financial period reported on; and  
(b) Immediately preceding financial year.**

	Group		Company	
	30-Jun-20 Cents	30-Jun-19 Cents	30-Jun-20 Cents	30-Jun-19 Cents
NAV per share based on issued share capital as at the end of the period	3.0218	2.6499	4.1304	2.4822

**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**

The Group's revenue for 2H2020 decreased by 99.8% to S\$98,000 compared to S\$39.9 million in 2H2019 and decrease by 68.3% to S\$27.5 million in FY2020 compared to S\$86.5 million in FY2019 as the Company had reduced its exposure in metal trading activities, due to uncertainty arising from the Sino-US trade dispute. The business in the provision of marketing, management and advisory of recycling and supply chain services contributed to the Group's revenue starting from June 2020.

**(ii) Gross profit**

Without a high-cost structure relating to the electronic waste management business, the Group has made a gross profit of S\$98,000 and S\$521,000 in 2H2020 and FY2020 respectively when compared to a gross loss of S\$354,000 in 2H2019 and gross profit of 576,000 in FY2019 respectively. The full year gross profit for FY2020 is reduced in comparison to FY2019 due to smaller trading volumes and higher price fluctuation as a result of the instability resulting from the instability of the global metal market. The revenue from the provision of marketing, management and advisory of recycling and supply chain services had only begun from June 2020.

**(iii) Other income/(expenses) – net**

There was net other income of S\$4,000 in 2H2020 compared to net other expenses of S\$384,000 in 2H2019 and S\$24,000 in FY2020 when compared to net other expenses of S\$406,000 in FY2019 respectively. These were mainly contributed by rental income, unrealised foreign currency exchange gain and reversal of provision for restoration cost, offset by realized foreign currency exchange loss, depreciation of property, plant and equipment and impairment on property, plant and equipment.

**(iv) Administrative expenses**

Administrative expenses decreased by 20.8% to S\$454,000 in 2H2020 compared to S\$573,000 in 2H2019 and decreased by 0.5% to S\$1.3 million in FY2020 when compared to S\$1.1million in FY2019 respectively. The significant decrease in both periods were due to overall lower manpower- related cost incurred by the Group.

**(v) Finance costs**

Finance cost significantly decreased by 74.1% to S\$50,000 in 2H2020 when compared to S\$193,000 in 2H2019 and decreased by 17.1% to S\$214,000 in FY2020 when compared to S\$258,000 in FY2019 respectively due to decrease in short-term third-party loans (see paragraph 8(b)(ix) below).

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

The Group reported a net loss after income tax of S\$419,000 in 2H2020 when compared to S\$ 1.5 million in 2H2019 and S\$991,000 in FY2020 when compared to S\$ 1.4 million in FY2019 respectively.

**(vii) Foreign currency translation difference**

Foreign currency translation difference was S\$113,000 in 2H2020 when compared to negative S\$424,000 in 2H2019 and S\$98,000 in FY2020 when compared to negative S\$233,000 in FY2019 respectively due to the strengthening of USD against SGD.

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

**Statement of financial position**

- (i) Property, Plant and Equipment (“PPE”) increased by approximately S\$1.2 million on 1 July 2019 upon the adoption of the SFRS(I) 16 as explained under paragraph 8(a)(v) above. During the financial year, the Group recognised depreciation of S\$825,000, impairment of S\$164,000 and disposal of right-of-use assets with net book value S\$578,000. As at 30 June 2020, the net book value of PPE amounted to S\$246,000.
- (ii) Trade receivables amounted to S\$99,000 as at 30 June 2020 mainly due to invoicing for the provision of marketing and management and advisory services provided in June 2020.
- (iii) Other receivables decreased from S\$3.2 million to S\$226,000 as at 30 June 2020 compared to S\$ 3.4 million in 30 June 2019 due to the utilisation of trade deposits paid to suppliers.
- (iv) Contract assets and liabilities decreased from S\$3.9 million to nil as at 30 June 2020 and decreased from S\$103,000 to nil as at 30 June 2019 respectively after the issuance of invoices to customers and settlement of trade receivables received in 1H2020.
- (v) Other reserves as at 30 June 2020 comprised of S\$68,000 in foreign exchange translation reserve.
- (vi) Provision for restoration cost decreased to nil as at 30 June 2020 when compared to S\$410,000 as at 30 June 2019, after taking into consideration the final restoration quotation received from vendor.
- (vii) Lease liabilities increased by approximately S\$1.2 million on 1 July 2019 upon the adoption of SFRS(I) 16 (see paragraph 8(b)(i) above). During the financial year, the Group repaid S\$683,000. There was an adjustment against right-of-use assets of S\$578,000 upon the early termination of the lease during the financial year.
- (viii) Trade and other payables significantly decreased from S\$3.5 million to S\$0.5 million as at 30 June 2020 compared to 30 June 2019, due to settlement of outstanding balances before 30 June 2020.
- (ix) Borrowings in prior year are related to loans amounting to S\$1.95 million arising from the bond issue and short-term borrowings from third parties. These borrowings have been fully paid in 2H2020.

**Cash flow statement**

Net cash used in operating activities of the Group in 2H2020 was S\$574,000, mainly due to decrease in trade and other payables. Net cash generated from operating activities of the Group in FY2020 was S\$3.9 million as compared to net cash used in operating activities in FY2019 of S\$2.5 million, largely due to receipts received from trade and other receivables of S\$7.5 million in FY2020.

There were no net cash generated from investing activities of the Group in 2H2020 and FY2020. In the prior year for both 2H2019 and FY2019, there was a net cash inflow of S\$350,000, which was a one off gain received arising from the disposal of subsidiaries.

Net cash used in financing activities of the Group in 2H2020 and FY2020 was S\$2.19 million and S\$4.1 million respectively. The cash outflow were mainly due to repayment of short-term loan from third parties and lease liabilities. In FY2020, the Group raised proceeds of S\$1.5 million from shares placement.

As a result of the above, the Group’s cash and cash equivalents as of 30 June 2020 decreased by S\$2.8 million during the 2H2020 and S\$211,000 in FY2020 respectively.

**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 30 June 2019.



**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.**

Due to the coronavirus outbreak and movement restrictions imposed in most countries, the Company experienced a delay to its business that provides technical, operation and procurement ("TOP") services in relation to international supply-chain management. As the Company has not embarked on specific investments related to the TOP business, the delay does not have a direct and material impact on its financial performance of the Company.

On 22 April 2020, the Company established a joint venture company, Asian Agritech Pte. Ltd. holding 51% majority shareholding, to provide management and advisory of recycling and supply chain services. It successfully secured a 36 months contract, renewable up to four (4) times, which is estimated to bring approximately SGD\$1.2 million<sup>1</sup> (RMB 6 million) revenue to the Company. We have started servicing this contract since 1st June 2020.

The Company continues to explore and expand its opportunities to increase its scope to also provide technical advisory, supply chain management in renewable, clean energy technologies and related industries. As of the date of this announcement, there has not been any definitive agreement that has been entered into. The recycling business has also proven difficult thus far.

Impact of COVID-19 on the Company's operations:

There is no material impact on the Company's supply chain as of date. There is however, potential material impact on the demand for Company's goods and services as this depends on the performance of our clients and their ability to withstand COVID-19 impact on their operations. The travel restrictions instituted by Singapore and China has also impacted travel plans by management into China to negotiate contracts with clients. However, it is noted that China is recovering well from the effects of the epidemic and businesses in China are also recovering.

**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) Record date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or is recommended as the Group currently does not have accumulated profits available for the declaration of a dividend.

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<sup>1</sup> At an exchange rate of RMBS\$1 = SGD\$0.20

**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 transaction 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) in the format set out in Appendix 7H.

**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 2020 and 30 June 2019:

	Continuing operations						Discontinued operations		Per consolidated financial statements	
	Supply-Chain Management		Corporate/other		Total		E-Waste Management			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue:</b>										
External customers	27,469	86,529	-	-	27,469	86,529	-	18,842	27,469	105,371
Depreciation and amortisation	(823)	(76)	(2)	(4)	(825)	(80)	-	(398)	(825)	(478)
Amortization of restoration cost	-	(34)	(118)	-	(118)	(34)	-	(49)	(118)	(83)
Gain on disposal of plant and equipment	-	-	-	-	-	-	-	40	-	40
Impairment on plant and equipment	-	-	(164)	-	(164)	-	-	(138)	(164)	(138)
Unrealised gain/(loss) on future contracts	26	(25)	-	-	26	(25)	-	-	26	(25)
Impairment on trade and other receivables	-	-	(37)	-	(37)	-	-	(1,313)	(37)	(1,313)
Payables written off	-	-	7	7	7	7	-	31	7	38
Finance cost	(158)	(150)	(56)	(108)	(214)	(258)	-	(17)	(214)	(275)
Gain on disposal of discontinued operations	-	-	-	-	-	-	-	6,031	-	6,031
Segment results	178	(7)	(1,152)	(1,400)	(974)	(1,407)	-	589	(974)	(818)
Reportable segment assets	3,547	11,291	140	140	3,687	11,431	-	-	3,687	11,431
Reporting segment liabilities	424	6,327	240	2,718	664	9,045	-	-	664	9,045

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

	Continuing operations						Discontinued operations						Per consolidated financial statements			
	Singapore		China		Total		United States of America		Singapore		Malaysia		Adjustments and eliminations			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External Revenue	-	-	27,469	86,530	27,469	86,530	-	9,137	-	9,101	-	603	-	-	27,469	105,371
Interest expenses	(158)	(109)	(56)	(151)	(214)	(260)	-	-	-	(15)	-	-	-	-	(214)	(275)
Depreciation	(825)	(79)	-	-	(825)	(79)	-	(252)	-	(147)	-	-	-	-	(825)	(478)
Segment results	(1,349)	(1,400)	375	(7)	(974)	(1,407)	-	(3,056)	-	(2,358)	-	(28)	-	6,031	(974)	(818)
Non-current assets	167	716	79	-	246	716	-	-	-	-	-	-	-	-	246	716

## 17. A breakdown of sales

	FY2020 \$'000	FY2019 \$'000	Inc/(Dec) %
<b>Continuing operations</b>			
Sales reported for the first half year	<u>27,371</u>	<u>46,593</u>	(41.26)
(Loss)/Profit for the first half year	<u>(572)</u>	<u>99</u>	nm
Sales reported for the second half year	<u>98</u>	<u>39,936</u>	(99.75)
Loss for the second half year	<u>(419)</u>	<u>(1,506)</u>	(72.18)

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

Nil. Please refer to paragraphs 11 and 12 for details.

## 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.

There are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

## On behalf of the Board of Directors

**Clement Tay**

**Chay Yiowmin**

**Chief Executive Officer**

**Independent Director**

**27 August 2020**

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*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 Lay Shi Wei, Registered Professional, RHT Capital Pte. Ltd., 9 Raffles Place #29-01, Republic Plaza Tower 1, Singapore 048619, telephone (65) 6381 6966.*