



(Company Registration No. 199206445M)

UNAUDITED FOURTH QUARTER AND TWELVE MONTHS PERIOD FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2013

PART 1 INFORMATION REQUIRED FOR ANNOUNCEMENTS FOR QUARTERLY AND TWELVE MONTHS PERIOD RESULTS.

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

		Group			Group		
		4Q FY2013	4QFY2012	+/(-)	12 months ended 30.06.13	12 months ended 30.06.12 #	+/(-)
	Note 8(a)	\$'000	\$'000	%	\$'000	\$'000	%
Continuing Operations							
Revenue	(i)	7,927	8,758	(9.5)	29,298	26,352	11.2
Cost of sales		(6,284)	(9,817)	(36.0)	(22,607)	(23,532)	(3.9)
Gross profit	(ii)	1,643	(1,059)	(255.1)	6,691	2,820	137.3
Gross margin %	(ii)	20.7%	-12.1%	32.8	22.8%	10.7%	12.1
Other income	(iii)	121	520	(76.7)	1,116	883	26.4
Distribution expenses	(iv)	(506)	(664)	(23.8)	(1,979)	(2,465)	(19.7)
Administrative expenses	(v)	(1,043)	(11,556)	(91.0)	(4,341)	(14,489)	(70.0)
Results from operating activities		215	(12,759)	(101.7)	1,487	(13,251)	(111.2)
Finance expenses		(7)	(151)	(95.4)	(93)	(307)	(69.7)
Profit/(loss) before income tax		208	(12,910)	(101.6)	1,394	(13,558)	(110.3)
Tax benefits/ (expense)		(29)	(1,675)	(98.3)	(15)	(1,671)	(99.1)
Profit/(loss) from continuing operations *		179	(14,585)	(101.0)	1,379	(15,229)	(109.1)
Discontinued Operations *							
Profit/(loss) from discontinued operations	(vi)	665	(141)	(571.6)	331	(1,157)	(128.6)
Profit/(loss) for the period	(vi)	844	(14,726)	(105.7)	1,710	(16,386)	(110.4)

Footnotes:

* Continuing Operations relate to the Group's United States ("US") operations and Singapore operations.

Discontinuing Operations relate to the United Kingdom ("UK") and Czech Republic ("CZ") operations, which controlling interests are divested in 2Q FY2013 and the newly acquired China operations in 2Q FY2013, which controlling interests are divested in 4Q FY2013.

The comparatives for the prior periods under continuing operations and discontinuing operations are presented accordingly as above.



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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. (cont'd)

Continuing and discontinued operations	Group			Group		
	4Q FY2013	4QFY2012	+ / (-)	12 months ended 30.06.13	12 months ended 30.06.12	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Other comprehensive income						
Currency translation differences	(93)	(697)	(86.7)	(20)	554	(103.6)
Net fair value change on cash flow hedge	-	89	(100.0)	-	84	(100.0)
Total comprehensive income for the period	751	(15,334)	104.9	1,690	(15,748)	110.7
Attributable to						
Equity holders of the company	751	(15,334)		1,690	(15,748)	
Minority interest	-	-		-	-	
	751	(15,334)		1,690	(15,748)	

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

Continuing Operations	Group			Group		
	4Q FY2013	4Q FY2012	+ / (-)	12 months ended 30.06.13	12 months ended 30.06.12	+ / (-)
	\$'000	\$'000	%	\$'000	\$'000	%
Profit/(Loss) before income tax						
Depreciation and amortization	161	214	(24.8)	644	664	(3.0)
Operating lease expense	856	1,101	(22.3)	3,102	3,067	1.1
Exchange (gain)/loss	-	(474)	(100.0)	111	(289)	(138.4)
Interest expenses on borrowing	7	151	(95.4)	93	307	(69.7)
(Written back)/Allowance for impaired and aged receivables	16	(37)	(143.2)	16	10	60.0
Other income						
comprises principally the following:						
Rental income	259	557	(53.5)	1,028	883	16.4
Commodity trading (loss)/gain	(138)	43	(420.9)	88	43	104.6



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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.

	Note 8(b)	Group		Company	
		Unaudited	Audited	Unaudited	Audited
		30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
		\$'000	\$'000	\$'000	\$'000
Current assets					
Inventories		600	738	-	-
Trade and other receivables	(i)	8,707	7,810	3,443	2,785
Cash and cash equivalents		6,110	6,721	5,486	6,628
		<u>15,417</u>	<u>15,269</u>	<u>8,929</u>	<u>9,413</u>
Non-current assets					
Property, plant and equipment		6,237	5,939	-	3
Investment in Subsidiaries		-	-	-*	-
Investment in Associate	(ii)	2,205	-	1,879	-
Deferred rent expenses		138	-	-	-
Restricted cash-held in trust	(iii)	680	560	-	-
Amount due from subsidiaries		-	-	4,916	3,562
		<u>9,260</u>	<u>6,499</u>	<u>6,795</u>	<u>3,565</u>
Total assets		<u>24,677</u>	<u>21,768</u>	<u>15,724</u>	<u>12,978</u>
Current liabilities					
Loans and borrowings	(iv)	-	2,600	-	2,600
Trade and other payables	(v)	4,730	10,468	826	1,840
		<u>4,730</u>	<u>13,068</u>	<u>826</u>	<u>4,440</u>
Non-current liabilities					
Trade and other payables	(v)	-	164	-	-
		<u>-</u>	<u>164</u>	<u>-</u>	<u>-</u>
Equity attributable to equity holders of the					
Share capital	(vi)	168,284	158,563	168,284	158,563
Reserves	(vii)	2,810	2,830	2,447	2,447
Accumulated losses		(151,147)	(152,857)	(155,833)	(152,472)
Total equity		<u>19,947</u>	<u>8,536</u>	<u>14,898</u>	<u>8,538</u>
Total liabilities and equity		<u>24,677</u>	<u>21,768</u>	<u>15,724</u>	<u>12,978</u>

*Amount less than S\$1,000



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

	As at	As at
	30-Jun-13	30-Jun-12
	\$'000	\$'000
Amount repayable in one year		
Unsecured loans and borrowings	-	2,600
	<hr/>	<hr/>
	-	2,600
Amount repayable after one year		
Unsecured loans and borrowings	-	-
	<hr/>	<hr/>
	-	-



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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	
	4QFY2013	4QFY2012	12 months ended 30.06.13	12 months ended 30.06.12
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit/ (Loss) for the period	844	(14,726)	1,710	(16,386)
<i>Adjustments:</i>				
Depreciation and amortization	161	238	644	688
Gain on disposal of non-current assets	-	(2)	-	(2)
Gain on disposal of discontinued operations	(665)	-	(331)	-
(Reversal of) / Impairment loss on doubtful receivables	16	(4)	16	10
Plant and equipment written off	33	25	33	29
Impairment of intangible asset	-	9,086	-	9,086
Unrealised exchange loss/(gain)	(146)	(61)	(41)	285
Unrealised loss/(gain) on investment on future contracts	(138)	43	(88)	43
Interest expense	7	320	93	476
Income tax expense	67	1,666	-	1,671
	179	(3,415)	2,036	(4,100)
Changes in working capital				
Trade and other receivables	(111)	(4,661)	1,402	(3,212)
Inventories	77	1,211	134	337
Cash encumbered (Restricted cash)	(133)	(19)	(119)	(19)
Trade and other payables	(1,794)	2,999	(6,312)	4,157
Cash generated from / (used in) operations	(1,782)	(3,885)	(2,859)	(2,837)
Interest paid	(7)	(52)	(93)	(208)
Income tax refund	44	-	-	-
Cash flows (used in)/from operating activities	(1,745)	(3,937)	(2,952)	(3,045)



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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. (cont'd)

	GROUP		GROUP	
	4QFY2013	4QFY2012	12 months ended 30.06.13	12 months ended 30.06.12
	\$'000	\$'000	\$'000	\$'000
Investing activities				
Purchase of plant and equipment	(561)	(184)	(612)	(382)
Acquisition cost of investment	-	-	(1,200)	-
Proceeds from disposal of subsidiaries	100	-	100	-
Non-trade amount due from related parties	(433)	-	(433)	-
Proceeds from sale of property, plant and equipment	-	34	-	34
Cash flows used in investing activities	(894)	(150)	(2,145)	(348)
Financing activities				
Repayment of loan from shareholders	-	(400)	(2,600)	(400)
Proceeds from loan from shareholders	-	3,000	-	3,000
Proceeds from borrowings	-	(3,688)	-	(2,688)
Repayment of borrowings	-	2,724	-	-
Payment of deferred payment creditor	-	14	-	-
Proceeds from sale of subsidiary	-	-	-	-
Proceeds from issuance of share	7,085	5,791	7,085	5,791
Issuance of warrants	-	2,482	-	2,482
Cash flows from financing activities	7,085	9,923	4,485	8,185
Net (decrease)/increase in cash and cash equivalents	4,446	5,836	(612)	4,792
Cash and cash equivalents at beginning of period	1,668	879	6,721	1,918
Effect of exchange rate fluctuation on cash held	(4)	24	1	11
Cash and cash equivalents at end of period	6,110	6,721	6,110	6,721

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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.

Group	Share Capital	Currency Translation Reserve	Hedging Reserve	Warrant Reserve	Share Option Reserve	Accumulated Losses	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2011	152,854	(171)	(84)	-	1,327	(137,798)	16,128
Total comprehensive income for the period							
Foreign currency translation	-	554	-	-	-	-	554
Net fair value change on cash flow hedge	-	-	84	-	-	-	84
Loss for the period	-	-	-	-	-	(16,386)	(16,386)
Total comprehensive income for the period	-	554	84	-	-	(16,386)	(15,748)
Issue of shares	5,791	-	-	-	-	-	5,791
Share issue expenses	(82)	-	-	-	-	-	(82)
Issue of warrants	-	-	-	2,482	-	-	2,482
Warrant issue expenses	-	-	-	(35)	-	-	(35)
Expiration and forfeiture of share options	-	-	-	-	(1,327)	1,327	-
At 30 June 2012	158,563	383	-	2,447	-	(152,857)	8,536
At 30 June 2012	158,563	383	-	2,447	-	(152,857)	8,536
Total comprehensive income for the period							
Foreign currency translation – foreign operations	-	(20)	-	-	-	-	(20)
Profit for the period	-	-	-	-	-	1,710	1,710
Total comprehensive income for the period	-	(20)	-	-	-	1,710	1,690
Issue of share capital – Acquisition of Subsidiary	2,635	-	-	-	-	-	2,635
Issue of share capital – share placement	7,204	-	-	-	-	-	7,204
Exercise of warrant shares	4	-	-	-	-	-	4
Share issue expenses	(122)	-	-	-	-	-	(122)
At 30 June 2013	168,284	363	-	2,447	-	(151,147)	19,947



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

	Share Capital	Warrant Reserve	Share Option Reserve	Accumulated Losses	Total Equity
Company	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2011	152,854	-	1,327	(123,216)	30,965
Total comprehensive income for the period					
Foreign currency translation	-	-	-	-	-
Loss for the period	-	-	-	(30,583)	(30,583)
Total comprehensive income for the period	-	-	-	(30,583)	(30,583)
Issue of shares	5,791	-	-	-	5,791
Share issue expenses	(82)	-	-	-	(82)
Issue of warrants	-	2,482	-	-	2,482
Warrant issue expenses	-	(35)	-	-	(35)
Expiration and forfeiture of share options	-	-	(1,327)	1,327	-
At 30 June 2012	158,563	2,447	-	(152,472)	8,538
At 30 June 2012	158,563	2,447	-	(152,472)	8,538
Total comprehensive income for the period					
Loss for the period	-	-	-	(3,361)	(3,361)
Total comprehensive income for the period	-	-	-	(3,361)	(3,361)
Issue of share capital – Acquisition of Subsidiary	2,635	-	-	-	2,635
Issue of share capital – Share placement	7,204	-	-	-	7,204
Exercise of warrant shares	4	-	-	-	4
Share issue expenses	(122)	-	-	-	(122)
At 30 June 2013	168,284	2,447	-	(155,833)	14,898



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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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

Since 1 July 2012, the Company has issued an aggregate of 528,695,810 shares and the details as follows:

- (a) 108,800 shares issued pursuant to the conversion of warrants for a consideration of S\$2,176.
- (b) 164,705,882 shares issued pursuant to investment in Tonkin Recycling Pte Ltd.
- (c) 363,881,128 shares issued pursuant to right issue for a consideration of S\$7,204,846

There are 827,237,580 ordinary shares that may be issued on conversion of all outstanding warrants as at 30 June 2013. (30 June 2012: Nil)

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.

As at 30 June 2013, the number of issued ordinary shares (excluding treasury shares) was 2,183,388,570 (30 June 2012: 1,654,692,760).

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

During the quarter ended 30 June 2013 and as at 30 June 2013, the Company did not have any dealings in treasury shares.

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

The figures have 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 has applied the same accounting policies and methods of computation in the current reporting period's financial statements as compared with the audited financial statements for the year ended 30 June 2012.

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 has 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 2012, where applicable. The application of these standards has no significant impact on the Group.

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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:-

Profit/(Loss) per share for results from the Group attributable to equity holders of the Company - Basic and Diluted (Note A)	Group		Group	
	4Q FY2013	4Q FY2012	12 months ended 30.06.13	12 months ended 30.06.12
	Cents	Cents	Cents	Cents
- Continuing operations	0.0084	(0.1763)	0.0747	(0.1841)
- Discontinuing operations	0.0310	(0.0017)	0.0179	(0.0140)
Total	0.0394	(0.1780)	0.0926	(0.1981)

- i) Basic and diluted earnings per share were calculated based on the weighted average number of ordinary shares of 1,846,378,460 and 2,142,918,929 for the quarter ended 30 June 2013 and twelve months ended 30 June 2013.
- ii) The group's basic and fully diluted earnings/(loss) per ordinary share for the quarter ended 30 June 2012 are calculated based on the weighted average number of ordinary shares in issue during the year of 1,654,692,760 shares.

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.

Net asset value per ordinary share based on issued share capital as at the end of the period	Group		Company	
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
	Cents	Cents	Cents	Cents
	0.914	0.516	0.682	0.516

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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.

		Group			Group		
		4Q FY2013	4Q FY2012	+/(-)	12 months ended 30.06.13	12 months ended 30.06.12	+/(-)
		\$'000	\$'000	%	\$'000	\$'000	%
Continuing Operations							
Revenue	(i)	7,927	8,758	(9.5)	29,298	26,352	11.2
Cost of sales		(6,284)	(9,817)	(36.0)	(22,607)	(23,532)	(3.9)
Gross profit		<u>1,643</u>	<u>(1,059)</u>	(255.1)	<u>6,691</u>	<u>2,820</u>	137.3
Gross margin %	(ii)	20.7%	-12.1%	32.8pp	22.8%	10.7%	12.1pp

(i) **Revenue**

For the quarter ended 30 June 2013 ("4Q2013"), the Group's revenue from continuing operations declined by 9.5% year-on-year ("yoy") to S\$7.9 million. This decrease was due to an influx of high-volume but low-margin electronics waste that was received and processed in 4Q2012.

For the twelve months ended 30 June 2013 ("FY2013"), the Group's revenue from continuing operations increased by 11.2% yoy to S\$29.3 million. This was mainly led by an increase in volume of waste materials processed received from the Group's US operations.

Countries	Turnover (S\$ '000)		
	FY 2013	FY 2012	% Change
United States of America ("US")	25,472	23,111	10.2
Singapore	3,826	3,241	18.0
Europe*	-	3,266	-
Total (*excluding discontinued operations)	29,298	26,352	11.2



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The Group's US operations accounted for 87% of the Group's continuing operations' revenue and had increased by 10.2% yoy to S\$25.5 million in FY2013. The Group's US operations continue to drive growth for the Group as a result of the reorganization of its production processes, increased automation in its plants, an overall increase in volume of waste materials processed and a better product mix.

The Group's Singapore operations accounted for the remaining 13% of the Group's continuing operations' revenue. It increased by 18% yoy to S\$3.8 million due to the new trading activities of non-ferrous materials which commenced in Q2 FY2013.

The Group's controlling interests in its loss-making Europe's operations were divested in 2Q2013.

(ii) Gross Profit

The Group reported a gross profit of S\$1.6 million for 4Q2013 reversing losses of S\$1.1 million in 4Q2012.

The Group recorded a 137.3% yoy increase in gross profit to S\$6.7 million for FY2013. Gross margin also improved from 10.7% for FY2012 to 22.8% for FY2013 due to the following reasons:

- A better product mix of electronic materials received, consisting of higher quality electronic components that were able to yield higher recovery values.
- The increased use of automation in plants and reorganization in production processes.

Expenses and Other Income

The Group started the practice of commodity trading and hedging in 2013 and gained S\$88,000 for FY2013.

- (iii)** Other income increased by 26.4% yoy to S\$1.1 million in FY2013. This was due to the rental income received from the Group's sub-letting of the premises at 65 Tech Park which only commenced in 3Q2012.
- (iv)** Distribution expenses decreased by 23.8% yoy to S\$0.5 million in 4Q2013 and 19.7% yoy to S\$2.0 million for FY2013. This was due to the lower municipal collection activities in 4Q2013 which required the company's coordination and logistics resources to collect mainly end-of-life ("EoL") consumer electronics. There were also re-designations of logistics costs to cost of sales in FY2013.
- (v)** Administrative expenses also decreased by 91.0% yoy to S\$1.0 million in 4Q2013. This difference was mainly due to an impairment of S8.8 million on goodwill in the US subsidiary made in 4Q FY2012. Apart from the goodwill impairment, administrative expenses also decreased by 70.0% yoy to S\$4.3 million in FY2013 due to various cost-cutting initiatives implemented.

(vi) Net Profit

As a result of the above, net profit from continuing operations reported an increase of 109.1% to S\$1.4 million for FY2013.

Taking into consideration profit from discontinued operations, the Group achieved a combined net profit of S\$1.7 million for FY2013, reversing losses of S\$16.4 million in the previous corresponding year.

The profits amounting to S\$0.7 million in 4Q2013 from discontinued operations was due to the gain on divestment of the controlling interests in China operations and its corresponding 8 months results that were re-classified from the results of the continuing operations. However, the gain was offset by loss of S\$0.3 million from other discontinued operations in FY2013, relating to United Kingdom and Czech Republic operations.



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Balance Sheet

- (i) Trade and other receivable increased by S\$1.0 million to S\$8.8 million for FY2013. The trade receivables were mainly attributable to the US operation.
- (ii) The investment in associate was the 49% investment held in China where controlling stake was divested in 4Q FY2013.
- (iii) Restricted cash-held in trust had been classified as non-current due to regulatory obligations imposed on the fund for reinstatement costs for the facility in California. A similar cash held in trust was imposed for the facility in Utah in FY2013, hence the increase from FY2012.
- (iv) There were no borrowings as of 30 June 2013, as the cash flows from the Group's operating activities had been used in 1H FY2013 to repay S\$2.6 million in unsecured loan borrowings.
- (v) Trade and other payables decreased by S\$5.8 million to S\$4.7 million in FY2013. The Group reduced its liabilities in FY2013 by using cash flows from operations and the proceeds from the rights issue in May 2012.
- (vi) Share capital increased by S\$9.7 million to S\$168.3 million due to the shares placement completed in April 2013 which raised S\$7.1 million and the allotment of shares for part consideration on the acquisition of the China operations, a waste treatment plant in Jiangsu Province, China in 2Q2013.
- (vii) The other reserves consisted of S\$2.5 million in warrants reserves and S\$0.3 million in foreign exchange translation reserve.

Financial position and cash flow

The Group's cash and cash equivalents as of 30 June 2013 decreased by S\$0.6 million.

Net cash used in operating activities decreased by S\$0.1 million to S\$3.0 million in FY2013 largely due the decrease in trade and other payables.

Net cash used in investing activities increased by S\$1.8 million to S\$2.1 million in FY2013 due mainly to a one-off acquisition cost of S\$1.2 million and a non-trade amount due from related parties of S\$0.4 million.

Net cash gained from financing activities decreased by S\$3.7 million to S\$4.5 million mainly due to a loan from shareholders in FY2012.

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

No variance from previous prospect statement made.

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.

Notwithstanding unforeseen circumstances, Metech will continue to grow by tapping on the expanding market and increase shareholder value through our new "4R" initiative. This initiative involves the expansion of existing services plus the introduction of new complementary offerings to create a synergistic value-chain of services that includes Recycling, Recovery of precious metals, Resale and Repair capabilities.



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According to market intelligence agency, Research and Markets, the Global Collection Services market in the e-waste industry is forecasted to grow at a compounded annual growth rate (CAGR) of 14.3% from 2012 to 2016¹. This strong growth is driven by a shift in consumer preference towards green products and an increase in the number of government policies implemented with respect to e-waste management. The US government, for instance, adopts a producer-responsibility approach where it is mandatory for electronic product manufacturers to pay for the recycling process in all states in the country except California.

To leverage on these positive trends in the e-waste industry, Metech's "4R" growth strategy includes:

Recycling: With the US market being one of the largest producers of e-waste, the Group enjoys the benefits of economies of scale through its five plants that are strategically spread across the country. The Group's US operations aim to target the multi-national companies and commercial entities to capture a larger market share as these sectors contribute to 74.1% of the electronics recycling market².

Recovery: Metech has created an Asian footprint to diversify its earnings stream. Metech Recycling Singapore recycles and recovers precious metals with the aim of becoming a comprehensive operation that offers services ranging from the preliminary stages of e-waste collection to the trading of the recovered precious metals.

Resale: Apart from leveraging Metech's current strengths in the businesses of recycling e-waste and the recovery of precious metals, the company is developing a new business unit at Gilroy, California in the US. This new business unit will offer resale of services for recoverable, repairable and reusable electronic and electrical products. It is designed with the objective of improving the Group's top-line and bottom-line.

Repair: The Group is looking for opportunities to add repair services for electronic and electrical products, to extend its existing recycling portfolio and value chain.

With a healthy balance sheet and a net cash position of S\$6.1 million, Metech's management is committed to guiding the Group towards sustainable growth and will enhance shareholder value by continuing to evaluate other business opportunities to develop additional revenue streams.

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. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

¹ Reuters, Research and Markets: Global Collection Services Market in the E-Waste Industry 2012-2016 - Around 24 States in US Pass Mandatory Legislation for E-Waste Management and Recycling, 26 July 2013

² Same as footnote 1



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(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 is recommended for the period under review.



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

	United States of <u>America</u>	<u>Singapore</u>	<u>China</u>	<u>Europe</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2013					
External revenues	25,472	3,826	-	-	29,298
Interest expense	(47)	(46)	-	-	(93)
Depreciation and amortisation	(641)	(3)	-	-	(644)
Reporting segment profit/(loss) before tax	(1,971)	443	-	-	1,529
Other material non-cash items:					
Reversal of doubtful receivables	-	-	-	-	-
Gain on disposal of discontinued operations	-	331	-	-	331
Reportable segments assets	11,137	13,540	-	-	24,677
Capital expenditure	612	-	-	-	612
Reporting segment liabilities	1,319	3,261	-	-	4,580
2012					
External revenues	23,111	3,241	-	-	26,352
Interest expense	(307)	-*	-	-	(307)
Depreciation and amortisation	(630)	(34)	-	-	(664)
Reporting segment profit/(loss) before tax	(3,190)	(10,368)	-	-	(13,558)
Other material non-cash items:					
Reversal of doubtful receivables	2	28	-	-	30
Gain on disposal of discontinued operations	-	-	-	-	-
Reportable segments assets	19,809	1,579	-	503	21,891
Capital expenditure	354	-	-	4	358
Reporting segment liabilities	37,504	20,203	-	7,217	64,924

*Amount less than S\$1,000



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Other material items 2013

	Reported segment total	Adjustments	Consolidated totals
	S\$'000	S\$'000	S\$'000
Interest expense	333	(240)	93
Depreciation and amortisation	644	-	644
Reversal of allowance for doubtful receivables	-	-	-

Other material items 2012

	Reported segment total	Adjustments	Consolidated totals
	S\$'000	S\$'000	S\$'000
Interest expense	1,037	(561)	307
Depreciation and amortisation	664	-	664
Reversal of allowance for doubtful receivables	(30)	-	(30)

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to section 8.

15. A breakdown of Sales

	FY2013	FY2012	Increase /(Decrease)
	S\$'000	S\$'000	%
Sales reported for first half year	13,848	10,815	28.0
Profit/(loss) from continuing operations for the first half year	453	(813)	155.7
Sales reported for second half year	15,450	15,537	(0.6)
Profit/(loss) from continuing operations for the second half year	926	(14,426)	(106.4)

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

Not applicable



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17. 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 shareholders of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must 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 held	Details of changes in duties and position held, if any, during the year

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a director, chief executive officer or substantial shareholder of the Company.

18. Interested person transactions

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual	
	FY2013 S\$'000	FY2012 S\$'000	FY2013 S\$'000	FY2012 S\$'000

There were no interested person transactions in FY2013 that were more than S\$100,000. No interested person transactions mandate has been obtained.

19. Use of proceeds from Rights cum Warrants issuance

(a) Use of Proceeds from Rights cum Warrants Issuance

As of 30 June 2013, the Company has S\$407,000 from the Rights cum Warrant issue available for the expansion of business in the US and other operations.

The use of the proceeds from the rights cum warrants issue stated above was in accordance with the use of proceeds allocations stated in the Offer Information Statement.

(b) Use of Proceeds from shares placement completed on 11 April 2013

The Company completed a shares placement on 11 April 2013, and the net proceeds from the placement shares amounted to S\$7,054,800.

The Company had utilized approximately S\$0.6 million for the deposit of leasing assets, approximately S\$0.3 million for prepayment of lease instalments and approximately S\$0.5 million for working capital to fund purchases and other operating expenses from 12 April 2013 to 31 July 2013.

The use of proceeds stated above was in accordance with stated purposes of the placement.



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20. Subsequent Event

With reference to 8(ii), controlling stake of an investment in China was divested in 4Q FY2013. This divestment was subsequently completed on 28 August 2013.

On behalf of the Board of Directors

Song Tang Yih

Executive Chairman

28 August 2013

Andrew Eng

Executive Director and President