



Asian Micro Holdings Limited

FULL YEAR FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 JUNE 2013

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL-YEAR RESULTS

- 1(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediately preceding financial year.

| | Group | | |
|---|--|--|-------------|
| | S\$'000 | | % Change |
| | 12 mths ended 30 June 2013 S\$'000 | 12 mths ended 30 June 2012 S\$'000 | |
| Revenue | 6,963 | 5,806 | 20% |
| Cost of Sales | (5,052) | (4,497) | 12% |
| Gross Profit | 1,911 | 1,309 | 46% |
| Distribution & selling expenses | (452) | (130) | 248% |
| Administrative expenses | (2,486) | (2,696) | -8% |
| Other operating (expenses)/income, net | (173) | 1,280 | -114% |
| Loss from operation | (1,200) | (237) | 406% |
| Financial expenses | (44) | (72) | -39% |
| Financial income | 3 | 2 | 50% |
| Loss before taxation | (1,241) | (307) | 304% |
| Taxation | (48) | (162) | -70% |
| Loss for the year | (1,289) | (469) | 175% |
| Attributable to : | | | |
| Equity holders of the Company | (1,031) | (259) | 298% |
| Non-controlling interests | (258) | (210) | 23% |
| Loss for the year | (1,289) | (469) | 175% |
| Other comprehensive income (net of tax): | | | |
| Foreign currency translation | (251) | (275) | -9% |
| Total comprehensive loss for the year | (1,540) | (744) | 107% |
| Attributable to: | | | |
| Equity holders of the Company | (1,276) | (547) | 133% |
| Non-controlling interests | (264) | (197) | 34% |
| | (1,540) | (744) | 107% |

Other operating (expenses)/income mainly comprised of the following:-

| | | |
|---|-------|-------|
| * Allowance for doubtful debts (non trade) | (60) | (3) |
| * Allowance for stocks obsolescence | (585) | (114) |
| * Insurance recovery | - | 1,310 |
| * Foreign exchange gain | 277 | 276 |
| * Gain on disposal of property, plant and equipment | 26 | 129 |
| * Flood related expenses | - | (127) |
| * Sales of scrap | 110 | 33 |
| * Write back of allowance for stock obsolescence | 16 | 8 |
| * Misc income | 32 | 79 |
| * Delivery Charges | 61 | - |
| * Write off of stock | (51) | (268) |

Loss for the year is derived at after charging of : -

| | | |
|---|-------|-------|
| * Depreciation | (330) | (376) |
| * Impairment of property, plant and equipment | (117) | (352) |

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

| | Group | | Company | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | 30 June 2013 S\$'000 | 30 June 2012 S\$'000 | 30 June 2013 S\$'000 | 30 June 2012 S\$'000 |
| <u>Non-Current Assets</u> | | | | |
| Property, plant & equipment | 955 | 1,210 | 449 | 519 |
| Investment in subsidiaries | - | - | - | - |
| | 955 | 1,210 | 449 | 519 |
| <u>Current Assets</u> | | | | |
| Inventories | 201 | 871 | - | - |
| Trade and other receivables | 1,905 | 1,292 | 2 | 10 |
| Prepayment | 47 | 92 | 6 | 13 |
| Due from related party (Trade) | 102 | - | - | - |
| Due from related party (non-trade) | 155 | 109 | 5 | 5 |
| Fixed deposits | 407 | 429 | - | 25 |
| Cash and bank balances | 363 | 1,416 | 3 | 3 |
| | 3,180 | 4,209 | 16 | 56 |
| <u>Current Liabilities</u> | | | | |
| Trade & other payables | 1,525 | 1,520 | 65 | 70 |
| Accrued expenses | 974 | 879 | 293 | 294 |
| Due to subsidiaries (non-trade),net | - | - | 1,521 | 1,524 |
| Due to related parties (trade) | 312 | - | - | - |
| Due to related parties (non-trade) | 710 | 1,092 | 11 | 101 |
| Loan from related parties (non-trade) | 51 | 331 | - | - |
| Bills payable to banks | 64 | 231 | - | - |
| Obligations under finance lease | 170 | 147 | 81 | 79 |
| Provision for taxation | 8 | - | - | - |
| | 3,814 | 4,200 | 1,971 | 2,068 |
| Net current (liabilities) / assets | (634) | 9 | (1,955) | (2,012) |
| <u>Non-current liabilities</u> | | | | |
| Loan from related parties (non-trade) | - | 302 | - | - |
| Due to related parties (non-trade) | 229 | 366 | 30 | 251 |
| Obligations under finance lease | 322 | 377 | 160 | 241 |
| Deferred tax liabilities | 1 | 1 | 1 | 1 |
| | 552 | 1,046 | 191 | 493 |
| Net (Liabilities)/ Assets | (231) | 173 | (1,697) | (1,986) |
| <u>Represented by :</u> | | | | |
| Share capital | 39,943 | 38,674 | 39,943 | 38,674 |
| Share option reserve | 187 | 321 | 187 | 321 |
| Other reserve | 96 | 96 | 96 | 96 |
| Foreign currency translation reserve | 991 | 1,236 | - | - |
| Accumulated losses | (40,568) | (39,538) | (41,923) | (41,077) |
| | 649 | 789 | (1,697) | (1,986) |
| Non-controlling interests | (880) | (616) | - | - |
| Total (Deficit) / Equity | (231) | 173 | (1,697) | (1,986) |

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

Amount repayable in one year or less, or on demand :-

| As at 30/6/2013 | | As at 30/6/2012 | |
|-----------------|-----------|-----------------|-----------|
| S\$000 | | S\$000 | |
| Secured | Unsecured | Secured | Unsecured |
| 234 | 51 | 378 | 331 |

Amount repayable after one year :-

| As at 30/6/2013 | | As at 30/6/2012 | |
|-----------------|-----------|-----------------|------------|
| S\$000 | | S\$000 | |
| Secured | Unsecured | Secured | Unsecured |
| 322 | - | 377 | 302 |
| 556 | 51 | 755 | 633 |

Details of any collateral:

- a) The Group's trade credit facilities and banker guarantees are secured by:
- (i) fixed deposits of approximately S\$407,000;
 - (ii) corporate guarantee of S\$2,540,000 from the Company;
 - (iii) a legal mortgage over a property of an affiliated company, American Converters Industries Pte Ltd (owned by the director and major shareholder of the Company); and
 - (iv) joint and several guarantee of S\$440,000 from the director and major shareholder of the Company
- b) The Group's lease obligations are secured by motor vehicles of its subsidiaries with net book value of approximately S\$822,000.

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 | |
|---|-------------------------------|-------------------------------|
| | 12 mths ended 30 June 2013 | 12 mths ended 30 June 2012 |
| | S\$'000 | S\$'000 |
| Cash flows from operating activities | | |
| Loss before tax | (1,241) | (307) |
| Adjustments for : | | |
| Allowance for doubtful debts (trade) | 7 | 48 |
| Allowance for doubtful debts (non trade) | 60 | 3 |
| Write-off of doubtful debts (trade) | - | 1 |
| Allowance for stock obsolescence | 585 | 114 |
| Write-back of allowance for stock obsolescence | (16) | (8) |
| Written-off of stock | 51 | 268 |
| Depreciation of property, plant and equipment | 330 | 376 |
| Property, plant and equipment written off | 8 | - |
| Gain on disposal of property, plant and equipment | (26) | (129) |
| Impairment loss on property, plant and equipment | 117 | 352 |
| Interest expenses | 44 | 49 |
| Interest income | (3) | (2) |
| Share-based payment expenses | 180 | 139 |
| Operating cash flow before working capital changes | 96 | 904 |
| Decrease in stocks | 68 | 112 |
| (Increase)/Decrease in trade and other receivables | (959) | 241 |
| (Decrease)/Increase in amount due from/(to) related companies | (702) | 401 |
| Decrease/(Increase) in prepayments | 7 | (2) |
| Increase/(Decrease) in trade and other payables | 593 | (370) |
| Decrease in bills payable to bank | (167) | (224) |
| Cash (used in)/generated from operations | (1,064) | 1,062 |
| Interest paid | (44) | (49) |
| Interest income received | 3 | 2 |
| Net cash (used in)/generated from operating activities | (1,105) | 1,015 |
| Cash flow from investing activities | | |
| Acquisition of non controlling interests | - | - |
| Proceeds from disposal of property, plant and equipment | 121 | 177 |
| Purchase of property, plant and equipment | (147) | (273) |
| Net cash used in investing activities | (26) | (96) |
| Cash flows from financing activities | | |
| Loan from related parties | - | 333 |
| Drawdown of finance lease obligations | 124 | - |
| Proceeds from issue of share capital | 237 | - |
| Repayment of finance lease obligations | (299) | (100) |
| Fixed deposits withdrawn/(pledged) | 22 | (2) |
| Net cash generated from financing activities | 84 | 231 |
| Net (decrease)/increase in cash and cash equivalents | (1,047) | 1,150 |
| Effect of exchange rate changes in cash and cash equivalents | (6) | (6) |
| Cash and cash equivalents at beginning of year | 1,416 | 272 |
| Cash and cash equivalents at end of year | 363 | 1,416 |

- 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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| Group \$'000 | Share Capital \$'000 | Share Option Reserves \$'000 | Translation and other reserves \$'000 | Accumulated Losses \$'000 | Total \$'000 | Non- controlling Interests \$'000 | Total Equity \$'000 |
|--|----------------------------|---------------------------------------|--|---------------------------------|-----------------|--|---------------------------|
| Balance as at 1 July 2012 | 38,674 | 321 | 1,332 | (39,538) | 789 | (616) | 173 |
| Total comprehensive income/(loss) for the year | - | - | (245) | (1,031) | (1,276) | (264) | (1,540) |
| Issue of ordinary shares via private placement | 600 | - | - | - | 600 | - | 600 |
| Grant of equity-settled share options to employees | - | 180 | - | - | 180 | - | 180 |
| Exercise of employee share options | 669 | (313) | - | - | 356 | - | 356 |
| Expiry of employee share options | - | (1) | - | 1 | - | - | - |
| Balance as at 30 June 2013 | 39,943 | 187 | 1,087 | (40,568) | 649 | (880) | (231) |

| Group \$'000 | Share Capital \$'000 | Share Option Reserves \$'000 | Translation and other reserves \$'000 | Accumulated Losses \$'000 | Total \$'000 | Non- controlling Interests \$'000 | Total Equity \$'000 |
|--|----------------------------|---------------------------------------|--|---------------------------------|-----------------|--|---------------------------|
| Balance as at 1 July 2011 | 38,674 | 390 | 1,620 | (39,487) | 1,197 | (419) | 778 |
| Total comprehensive income/(loss) for the year | - | - | (288) | (259) | (547) | (197) | (744) |
| Grant of equity-settled share options to employees | - | 139 | - | - | 139 | - | 139 |
| Expiry of employee share options | - | (208) | - | 208 | - | - | - |
| Balance as at 30 June 2012 | 38,674 | 321 | 1,332 | (39,538) | 789 | (616) | 173 |

| Company \$'000 | Share Capital \$'000 | Share Option Reserves \$'000 | Other reserves \$'000 | Accumulated Losses \$'000 | Total \$'000 |
|--|-------------------------|------------------------------------|--------------------------|---------------------------------|-----------------|
| Balance as at 1 July 2012 | 38,674 | 321 | 96 | (41,077) | (1,986) |
| Total comprehensive income/(loss) for the year | - | - | - | (847) | (847) |
| Issue of ordinary shares via private placement | 600 | - | - | - | 600 |
| Grant of equity-settled share options to employees | - | 180 | - | - | 180 |
| Exercise of employee share options | 669 | (313) | - | - | 356 |
| Expiry of share options to employees | - | (1) | - | 1 | - |
| Balance as at 30 June 2013 | 39,943 | 187 | 96 | (41,923) | (1,697) |

| Company \$'000 | Share Capital \$'000 | Share Option Reserves \$'000 | Other reserves \$'000 | Accumulated Losses \$'000 | Total \$'000 |
|--|-------------------------|------------------------------------|--------------------------|---------------------------------|-----------------|
| Balance as at 1 July 2011 | 38,674 | 390 | 96 | (39,796) | (636) |
| Total comprehensive income/(loss) for the year | - | - | - | (1,489) | (1,489) |
| Grant of equity-settled share options to employees | - | 139 | - | - | 139 |
| Expiry of share options to employees | - | (208) | - | 208 | - |
| Balance as at 30 June 2012 | 38,674 | 321 | 96 | (41,077) | (1,986) |

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 numbers of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as 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.

| | Company | | | |
|---|---------------------------------|-------------------------------------|---------------------------------|-------------------------------------|
| | 30 June 2013 | | 30 June 2012 | |
| | No of shares (<i>'000</i>) | Share Capital (<i>\$ '000</i>) | No of shares (<i>'000</i>) | Share Capital (<i>\$ '000</i>) |
| Balance as at the beginning of the period | 463,591 | 38,674 | 463,591 | 38,674 |
| Private Placement | 46,154 | 600 | - | - |
| Exercise of ESOS 2010 options | 25,250 | 669 | - | - |
| Balance as at the end of the period | 534,995 | 39,943 | 463,591 | 38,674 |

During the year under review, the Company:-

- (a) granted 10,850,000 share options in relation to the Employee Share Option Scheme 2010 ("ESOS 2010");
- (b) issued and allotted 46,153,846 placement shares by way of a private placement; and
- (c) issued and allotted 25,250,000 shares in relation to the exercise of options by the employees.

As at 30 June 2012 and 30 June 2013, the Company had outstanding ESOS 2010 options the conversion of which would result in the issue of 26,000,000 and 9,650,000 new ordinary shares, respectively. Save for such options, there are no other outstanding convertibles issued by the Company convertible into shares as at 30 June 2012 or 30 June 2013.

The Company held no treasury shares as at 30 June 2012 and 30 June 2013.

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 Company's issued and paid-up capital comprises 534,994,889 ordinary shares (30 June 2012: 463,591,043 ordinary shares). There are no treasury shares held by the Company as at 30 June 2012 and 30 June 2013.

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.

Not applicable.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standing

The figures presented have not been audited or reviewed.

3 Whether the figures have been audited or reviewed, the auditors' report (including any qualification 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 preparation of the financial statement for the current reporting period compared with those in the audited financial statement as at 30 Jun 2012, except as disclosed in Note 5 below.

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 all new and revised Financial reporting Standards ("FRSs") and interpretation of FRSs ("INT FRSs") which are effective for the financial period beginning on or after 1 July 2012.

The adoption of the new/revised FRSs did not result in any substantial change to the Group's accounting policies or any significant impact on the financial statements.

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.

| | The Group | |
|---|-------------------------------------|-------------------------------------|
| | Year ended 30/6/2013 S\$ cent | Year ended 30/6/2012 S\$ cent |
| (a). Based on weighted average number of ordinary shares in issue ; and | (0.21) | (0.06) |
| (b). On a fully diluted basis | (0.21) | (0.06) |

Notes:

- a) Loss per share is calculated based on the weighted average number of ordinary shares in issue during the year ended 30 June 2012 and 30 June 2013, respectively.
- b) For the year ended 30 June 2013, share options granted to employees under the existing employee share option scheme have not be included in the calculation of diluted loss per share because they are anti-dilutive.

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.

| | 30/6/2013 S\$ cents | 30/6/2012 S\$ cents |
|---|------------------------|------------------------|
| Net (liability)/asset value for the Group | (0.04) | 0.04 |
| Net liability value for the Company | (0.32) | (0.43) |

Note: Net (liability)/asset value for the Group excludes non-controlling interests

- 8 **A performance review 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.**

INCOME STATEMENT

Revenue

Revenue had increased from S\$5.81 million to S\$6.96 million. The increase in revenue was mainly due to improvement of businesses by our Thailand subsidiaries, which was offset by the loss of revenue due to cessation of business by one of the subsidiaries in Singapore.

Gross Profit Margin

The Group's profit margin has increased from 23% to 27% as compared to the last financial year. The improvement in the Group's gross profit margin was due to the cessation of business by one of the Singapore subsidiaries, which was contributing low profit margin.

Loss for the Year

The Group had a loss of S\$1.29 million for the financial year ended 30 June 2013 ("FY2013") as compared to a loss of S\$0.47 million for the financial year ended 30 June 2012("FY2012"). The increase in loss was mainly due to the following reasons:

- a) (Increase in Other Operating Expenses)/Decrease in Other Operating Income
The Group incurred net operating expenses of S\$0.17 million for FY2013 as compared to a net income of S\$1.28 million for FY2012. This was due to one-off insurance compensation which the Group had received in FY2012 for damages arising from flooding in Thailand and the higher stock obsolescence in FY2013. Details of other operating (expenses)/income is on Page 1 of the announcement.
- b) Increase in Distribution and Selling Expenses
Distribution and selling expenses increased from S\$0.13 million in FY2012 to \$0.45 million in FY2013, mainly due to the increase in costs incurred in relation to the sales of trucks by our Thailand subsidiary.

BALANCE SHEET

Non-current assets

The Group's non-current assets decreased from S\$1.21 million to S\$0.96 million as at 30 June 2013. The decrease was due to depreciation and impairment made, partially offset by purchase of motor vehicles for businesses during the year.

Current assets

The Group's current assets decreased from S\$4.21 million to S\$3.18 million as at 30 June 2013. The decrease was mainly due to utilisation of insurance claim and decrease in inventories due to inventory obsolescence, offset by an increase in trade and other receivables.

Current liabilities

The Group's current liabilities decreased from S\$4.20 million to S\$3.81 million as at 30 June 2013. The decrease in Group's current liabilities was due to a decrease in loan from related party, amount due to related parties and bills payable to bank.

Non-current liabilities

The Group's non-current liabilities decreased from S\$1.05 million to S\$0.55 million as at 30 June 2013. The decrease in the Group's non-current liabilities was due to decrease in amounts owing to related parties and loan from related party, after private placement of shares.

CASH FLOW STATEMENT

The Group's cash and cash equivalents as at 30 June 2013 decreased by S\$1.05 million to S\$0.36 million as compared to the balance as at 30 June 2012. The decrease was mainly due to repayment of loan from related party and settlement of amount due to related parties.

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

Not applicable.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The business will remain challenging for the financial year ending 30 June 2014, mainly due to pricing pressure from customers and rising operational costs. However, the Group will continue its cost cutting efforts and measures to improve its bottom line by focusing on its profit making subsidiaries and taking actions to terminate any loss making business. While the market condition is expected to remain challenging for FY2014 and the Group's existing business performance is likely to be impacted, the Management will continue to focus on restructuring and consolidating its existing business, without any major capital expenditures.

As at 30 June 2013, the Group's net current liabilities amounted to S\$0.634 million (30 June 2012: S\$0.009 million), and a decrease in cash and cash equivalent of \$1.053 million. Subject to the following, the Directors are of the view that the Company and the Group will be able to meet their debts as and when they fall due:

- (i) The Group's managing director, Mr. Lim Kee Liew @ Victor Lim and, his spouse and substantial shareholder, Ms Leong Lai Heng have undertaken in favour of the Company, that each of them would provide financial support to the Company and the Group and if so requested by the Company and/or the Group, to meet all the Company's and/or the Group's short term obligations to the extent that the Company and/or the Group is/are unable to meet those obligations by itself/themselves, until 30 June 2014, or the completion of the Proposed Transaction (as defined below), whichever is earlier.
- (ii) As announced on 3 June 2013, 12 June 2013 and 29 July 2013, the Company has entered into a non-binding Memorandum of Understanding with Oxley Global Limited, ("Oxley"), acting for and on behalf of the shareholders of Oxley, pursuant to which the parties have reached an understanding to negotiate and finalise a definitive share sale and purchase agreement and other related documents ("Definitive Documentations") in respect of the potential acquisition of Oxley by way of exchange for new ordinary shares of the Company ("Proposed Transaction").

The Board is of the view that the Proposed Transaction is beneficial to the Group as the acquisition of Oxley may potentially provide the Group with a business with a regular and growing revenue stream. The Proposed Transaction will also position the Company for future investments and/or acquisitions in the sectors of REITs, power and natural resources, and infrastructure.

As at the date of this announcement, the parties are still in the midst of finalising the Definitive Documents. The Proposed Transaction, if it proceeds to completion, will result in a change of control of the Company and will constitute a "Very Substantial Acquisition" or a "Reverse Take-over Transaction". The Company will make further announcements on the development of the Proposed Transaction, where appropriate.

- (iii) The Company is evaluating various fund raising alternatives (including but not limited to a placement of new shares) to support the Group's working capital requirements and fees and expenses required for the Proposed Transaction. Additionally, the Board is contemplating a debt conversion exercise to be carried out with certain directors and employees of the Group which will effect a full and final settlement of certain short term debt obligations.

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 payable

Not applicable.

d) Books closure date

Not applicable.

e) Interim dividend declared and

Not applicable.

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

No dividend has been paid and declared by the Company for the year ended 30 June 2013.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

| | Aggregate value of all interested person transactions during the financial year under review (excluding transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000 | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) S\$'000 |
|--|---|--|
| Ultraline Technology (S) Pte Ltd | 90 | - |
| Ultraline Holdings (Thailand) Co., Ltd | 44 | - |
| Asian Micro Industries (Thailand) Co., Ltd | 73 | - |

- 14 **Segmented 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.**

| 2013 | Natural gas Vehicle ("NGV") related business | | | | | | Group Total |
|--|--|---------------|-------------------------|---------|-------------|----------|-------------|
| | Tray Recycling | Manufacturing | Plastic waste recycling | Others | Elimination | | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenue | | | | | | | |
| - Sales to external customers | 1,312 | 1,782 | - | 3,869 | | | 6,963 |
| - Inter-segment sales | | | | | 780 | (780) | - |
| Total revenue | 1,312 | 1,782 | - | 3,869 | 780 | (780) | 6,963 |
| Segment results operating profit/(loss) | 170 | (465) | - | (1,138) | (835) | 1,068 | (1,200) |
| Finance expenses | | | | | | | (44) |
| Finance income | | | | | | | 3 |
| Loss before tax | | | | | | | (1,241) |
| Tax credit / (expense) | | | | | | | (48) |
| Loss for the year | | | | | | | (1,289) |
| Segment assets | 4,654 | 2,620 | - | 3,386 | 2,422 | (8,947) | 4,135 |
| Segment liabilities | 22,981 | 3,899 | - | 14,991 | 4,287 | (41,800) | 4,358 |
| Unallocated liabilities | | | | | | | 8 |
| Total liabilities | | | | | | | 4,366 |
| Capital expenditure | 242 | 6 | - | 23 | - | - | 271 |
| Depreciation | 85 | 40 | - | 134 | 71 | - | 330 |
| Impairment losses of property, plant and equipment | - | - | - | 117 | - | - | 117 |

| 2012 | Natural gas Vehicle ("NGV") related business | | | | | | Group Total |
|--|--|---------------|-------------------------|---------|-------------|----------|-------------|
| | Tray Recycling | Manufacturing | Plastic waste recycling | Others | Elimination | | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenue | | | | | | | |
| - Sales to external customers | 1,773 | 2,176 | - | 1,857 | - | | 5,806 |
| - Inter-segment sales | 180 | 17 | - | - | 960 | (1,157) | - |
| Total revenue | 1,953 | 2,193 | - | 1,857 | 960 | (1,157) | 5,806 |
| Segment results operating profit/(loss) | 1,155 | 27 | - | (2,570) | (2,970) | 4,121 | (237) |
| Finance expenses | | | | | | | (72) |
| Finance income | | | | | | | 2 |
| Loss before tax | | | | | | | (307) |
| Tax credit / (expense) | | | | | | | (162) |
| Loss for the year | | | | | | | (469) |
| Segment assets | 6,495 | 3,066 | - | 4,152 | 1,974 | (10,268) | 5,419 |
| Unallocated assets | | | | | | | - |
| Total assets | | | | | | | 5,419 |
| Segment liabilities | 22,953 | 3,994 | - | 14,573 | 1,207 | (37,481) | 5,246 |
| Unallocated liabilities | | | | | | | |
| Total liabilities | | | | | | | 5,246 |
| Capital expenditure | 97 | 66 | - | 120 | 525 | | 808 |
| Depreciation | 58 | 53 | - | 226 | 39 | | 376 |
| Impairment losses of property, plant and equipment | - | - | - | 352 | - | - | 352 |

- 15 **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 Note 8.

16 A breakdown of sales.

| | Group | | % |
|---|----------------------|----------------------|--------------------------|
| | 30/6/2013 S\$'000 | 30/6/2012 S\$'000 | Increase / (Decrease) |
| i. Sales reported for 1st half year | 3,118 | 3,245 | -4% |
| ii. Loss/(profit) after tax and before NCI reported for 1st half year | (753) | 87 | -966% |
| iii. Sales reported for 2nd half year | 3,845 | 2,561 | 50% |
| iv. Loss after tax and before NCI reported for 2nd half year | (536) | (556) | -4% |

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

| | Latest Full Year (30 June 2013) | Previous Full Year (30 June 2012) |
|------------|---------------------------------|-----------------------------------|
| Ordinary | Not Applicable | Not Applicable |
| Preference | Not Applicable | Not Applicable |
| Total: | Not Applicable | Not Applicable |

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

| Name | Age | Family relationship with any Director, CEO 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 |
|---------------------------|-----|---|--|---|
| Lim Kee Liew @ Victor Lim | 55 | Father of Lin Xianglong Winchester | CEO and Group Managing Director since February 1997 | No change. |
| Leong Lai Heng | 55 | Spouse of Lim Kee Liew @ Victor | Substantial Shareholder since August 1999 and director of subsidiaries | No change. |
| Lin Xianglong Winchester | 28 | Son of Lim Kee Liew @ Victor Lim | Executive Director since August 2011 | No change. |

BY ORDER OF THE BOARD

Lim Kee Liew @ Victor Lim
Group Managing Director

22 August 2013

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), RHT Capital Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.

This announcement has not been examined or approved by the Exchange and the Exchange 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 Lau Yan Wai
Telephone number: +65 6381 6757