



METAX ENGINEERING CORPORATION LIMITED

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METAX ENGINEERING CORPORATION LIMITED

(Incorporated in the Republic of Singapore under Registration Number 197500111H)

CLARIFICATION - FULL YEAR FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2011

The Board of Directors of Metax Engineering Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 26 August 2011 wherein the full year financial statement for the year ended 30 June 2011 was announced (the “**Announcement**”).

In relation to the termination of the sub-contract between its wholly-owned subsidiary, Metax Eco Solutions Pte. Ltd. (“**MEC**”) and Sembawang Engineers & Constructors Pte Ltd, the Company wishes to clarify that the value of the sub-contract is S\$13.7 million and the period of the sub-contract is 28 months from December 2010. During the progress of the sub-contract prior to the termination thereof on 25 July 2011, the parties had been engaged in disagreements and MEC was unable to proceed further with the works for the project. The Group was thus unable to recognise revenue from the sub-contract. This contributed partly to the decrease in revenue and hence the net loss suffered by the Group for the financial year ended 30 June 2011.

By order of the Board

Tan Tze Wen
Managing Director
2 September 2011

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**Exchange**”). The Company's Sponsor has not independently verified the contents of this announcement.*

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.

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