

General Announcement
Reference No **MG-110228-43730**

Company Name : **METRONIC GLOBAL BERHAD**
Stock Name : **MTRONIC**
Date Announced : **28/02/2011**

Type : **Announcement**
Subject : **OTHERS**
Description : **METRONIC GLOBAL BERHAD (“MGB” OR “COMPANY”)
STATUS OF OUTSTANDING RELATED PARTY RECEIVABLES**

Announcement Details/Table Section :

Further to our announcements made on 25 June 2010, 25 August 2010 and 29 November 2010 pertaining to the outstanding related party receivables of the Company, the Company wishes to announce the following:-

- (i) **Total outstanding from related party trade receivables as at 31 December 2010 are as follows:-.**

Total Outstanding Receivables as at 31/12/2010	Outstanding Related Party Receivables (Years)			
	>1-3	>3-5	>5-10	>10
RM'000	RM'000	RM'000	RM'000	RM'000
44,520	10,601	33,919	-	-

The related party receivables have been regularly reviewed and discussed by the Audit Committee and the Board of Directors, and action plan had been formulated to recover the receivables that includes the followings:-

- (ii) **Steps taken or proposed to be taken by the listed issuer to recover the related party receivables**
- Actively meet and negotiate with related parties to pursue the outstanding receivables;
 - Contra the receivables against payables with the same related parties;
 - Obtained consent from the Main Contractor Related Party to proceed with the certification and collection directly from Ministry of Health (“MOH”), Ministry of Finance (“MOF”) and Jabatan Kerja Raya (“JKR”). The claim is pending certification by JKR before submitting to MOF for approval;
 - Obtained a Deed of Assignment from the Main Contractor Related Party to pursue the receivables directly from the Government of Malaysia;
 - To commence legal action to recover outstanding receivables in the event of failure to recover the full amount.

(ii) Expected timeframe to fully recover the related party receivables as specified in item (i)

In relation to the related party receivables due from the Main Contractor Related Party, subject to the finalization of the claim certification by JKR and the subsequent disbursement of payment from the Ministry of Finance, the Company expects the outstanding receivables to be fully recovered through progressive disbursements to be made by the Government of Malaysia not later than 31 December 2011. With regards to the other outstanding related party receivables other than from the Main Contractor Related Party, the Company expects full recovery within 1 year from the date of this announcement.

The Board of Directors will continue with its effort to recover the outstanding related party receivables.

This announcement is dated 28 February 2011.