



SSH CORPORATION LTD.

新順發股份有限公司

Co. Reg. No. 197600985C



NEWS RELEASE

SSH reports S\$1.2 million net profit despite lower Q2 revenue

SINGAPORE, 11 February 2010 –

Main board listed SSH Corporation Ltd (“SSH” or the “Group”) today announced weaker performance for its second financial quarter ended 31 December 2009 (Q2 FY10) due to softer demand from the industry and seasonal factors.

Relative to the same period in the last financial year (Q2 FY09), the Group reported a 45% revenue decrease, which dropped from S\$55.1 million (Q2 FY09) to S\$30.1 million (Q2 FY10).

Gross profit was reduced from S\$14.4 million to S\$8.5 million, however, gross margin was higher, rising from 26% to 28%.

The Group posted lower profitability, as profit after tax attributable to shareholders decreased from S\$5.3 million to S\$1.2 million, due to reduced revenue and lower gross profits.

Cost management initiatives coupled with lower business activities, resulted in lower operating expenses, which declined from S\$10.1 million to S\$7.7 million representing a decrease of 23.6%.

Trade receivables declined by 19% to \$29.1 million in the first six months of this financial year due to lower business activities. Trade debtors’ turn increased to 98 from 77 days (30 June 2009).

Trade payables rose by 39% from S\$6.3 million to S\$8.7 million and trade creditors’ turn rose from 25 to 30 days.

Total bank borrowings rose by 8% from S\$33.8 million to S\$36.5 million but with lower interest rates, finance cost was 51% lower, decreasing from S\$0.5 million in Q2 FY09 to S\$0.2 million in Q2 FY10.



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For the Q2 FY10, the net cash used in operating activities and financing activities was S\$4.5 million and S\$2.8 million respectively. Overall there was a net decrease of S\$7.7 million in cash and cash equivalents.

As at 31 December 2009, the Group had cash and bank balances of S\$12.9 million compared to S\$8.8 million as at 30 June 2009.

Commenting on the performance of SSH, Mr. Kris Wiluan, Chairman and CEO said: “In spite of the tough operating conditions in the first half of the year, the Group had achieved reasonable results. With the commitment, skills and knowledge of our team, we will face the challenges of the second half of the financial year with confidence.”

About SSH Corporation Ltd

Established in 1942, SSH Corporation Ltd (“SSH” or the “Group”) became a public listed company in 1995. The Group specializes in supplying high-grade industrial materials and products such as seamless pipes, flanges, valves, fittings as well as welding equipment and consumables to the oil and gas industry. These products meet the stringent specifications of its core oil and gas, petrochemical, marine, power generation, and other infrastructure-related customers. Headquartered in Singapore, SSH’s geographical presence covers China, Indonesia, Malaysia, Thailand and Vietnam.

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