



UNAUDITED FINANCIAL STATEMENT FOR THE 3 MONTHS ENDED 30 SEPTEMBER 2009

Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1 (a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	1st Quarter		
	3 months ended		
	30.09.2009	30.09.2008	Change
	S\$'000	S\$'000	%
Revenue	29,373	62,609	-53%
Cost of sales	(21,692)	(44,669)	-51%
Gross profit	<u>7,681</u>	<u>17,940</u>	-57%
Other operating income	978	1,645	-41%
Distribution costs	(2,031)	(3,390)	-40%
Administrative expenses	(3,239)	(4,186)	-23%
Other operating expenses	(921)	(1,589)	-42%
Finance costs	(181)	(426)	-58%
Share of profit of joint venture	-	296	NM
Profit before income tax	<u>2,287</u>	<u>10,290</u>	-78%
Income tax expense	(404)	(1,950)	-79%
Profit for the period	<u>1,883</u>	<u>8,340</u>	-77%
Other comprehensive income:			
Exchange differences on translating foreign operations	(305)	417	NM
Other Comprehensive income for the period, net of tax *	<u>(305)</u>	<u>417</u>	NM
Total comprehensive income for the period	<u>1,578</u>	<u>8,757</u>	-82%
Profit attributable to:			
Owners of the Company	1,769	8,337	-79%
Minority interests	114	3	3700%
	<u>1,883</u>	<u>8,340</u>	-77%
Total comprehensive income attributable to:			
Owners of the Company	1,610	8,754	-82%
Minority interests	(32)	3	NM
	<u>1,578</u>	<u>8,757</u>	-82%

* Note There is no tax effect on the component included in other comprehensive income.

NM: Not meaningful

1(a)(ii) The net profit attributable to shareholders include the following (charges)/credits: -

	Group	
	1st Quarter	
	3 months ended	
	30.09.2009	30.09.2008
	S\$'000	S\$'000
Other income including: -		
(i) Interest, rental and other income	978	1,640
(ii) Gain on disposal of property, plant and equipment	-	5
	<u>978</u>	<u>1,645</u>
Interest on borrowings	(181)	(426)
Depreciation and amortisation expense	(544)	(508)
Loss on foreign exchange	(669)	(1,012)
Allowances for doubtful debt	-	(166)
Allowance for inventories write down	-	(300)

1(b)(i) STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2009

(In Singapore Dollars)

	Group			Company		
	As at	As at	Change	As at	As at	Change
	30.09.2009	30.06.2009		30.09.2009	30.06.2009	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Current assets						
Cash and bank balances	20,592	8,777	135%	16,932	4,490	277%
Trade receivables	29,936	35,834	-16%	28,344	36,245	-22%
Other receivables, deposits and prepayments	2,536	2,041	24%	2,245	2,565	-12%
Inventories	92,501	95,435	-3%	79,692	80,848	-1%
Total current assets	145,565	142,087	2%	127,213	124,148	2%
Non-current assets						
Investments in subsidiaries	-	-	-	5,178	5,178	0%
Investment in associate	301	301	0%	-	-	-
Investment in joint venture	1,054	1,054	0%	-	-	-
Property, plant and equipment	12,960	13,307	-3%	12,504	12,766	-2%
Leasehold property	14,998	15,224	-1%	14,998	15,224	-1%
Deferred tax assets	132	135	-2%	-	-	-
Total non-current assets	29,445	30,021	-2%	32,680	33,168	-1%
Total assets	175,010	172,108	2%	159,893	157,316	2%
Current liabilities						
Trade payables	7,875	6,265	26%	6,663	5,156	29%
Other payables & accruals	7,397	8,503	-13%	7,185	7,859	-9%
Bank borrowings	6,574	5,346	23%	5,727	4,579	25%
Financial derivative liabilities	266	263	1%	266	263	1%
Income tax payable	3,841	3,487	10%	3,052	2,833	8%
Total current liabilities	25,953	23,864	9%	22,893	20,690	11%
Non-current liabilities						
Bank borrowings	27,647	28,412	-3%	27,647	28,412	-3%
Other payable	1,780	1,780	0%	1,780	1,780	0%
Deferred tax liabilities	391	391	0%	376	376	0%
Total non-current liabilities	29,818	30,583	-3%	29,803	30,568	-3%
Capital and reserves						
Share capital	39,230	39,230	0%	39,230	39,230	0%
Share option reserve	203	203	0%	203	203	0%
Foreign currency translation reserve	(935)	(776)	20%	-	-	-
Accumulated profits	79,320	77,551	2%	67,764	66,625	2%
Equity attributable to equity holders of the Company	117,818	116,208	1%	107,197	106,058	1%
Minority interests	1,421	1,453	-2%	-	-	-
Total equity	119,239	117,661	1%	107,197	106,058	1%
Total liabilities and equity	175,010	172,108	2%	159,893	157,316	2%

NM: not meaningful

1(b)(ii) AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES
(In Singapore Dollars)

Amount repayable in one year or less, or on demand

As at 30.09.2009	
Secured S\$'000	Unsecured S\$'000
-	6,574

As at 30.06.2009	
Secured S\$'000	Unsecured S\$'000
-	5,346

Amount repayable after one year

As at 30.09.2009	
Secured S\$'000	Unsecured S\$'000
-	27,647

As at 30.06.2009	
Secured S\$'000	Unsecured S\$'000
-	28,412

Details of any collateral

Not applicable.

1(c) STATEMENT OF CASH FLOWS

	Group	
	1st Quarter	
	3 months ended	
	30.09.2009	30.09.2008
	S\$'000	S\$'000
Operating activities		
Profit before income tax	2,287	10,290
Adjustments for:		
Share of profit of Joint Venture	-	(296)
Depreciation and amortisation expense	544	508
Loss (Gain) on disposal of property, plant and equipment	12	(5)
Fair value loss on derivative financial instruments	3	1,027
Exchange difference unrealised	80	(154)
Allowance for doubtful trade receivables	-	166
Allowance for inventories write down	-	300
Interest income	(6)	(6)
Interest expense	181	426
Operating cash flows before movements in working capital	3,101	12,256
Trade receivables	5,801	(927)
Other receivables and prepayments	(456)	(283)
Inventories	2,684	(4,668)
Trade payables	1,660	(3,560)
Other payables	(1,096)	(3,621)
Cash generated from (used in) operations	11,694	(803)
Income tax paid	(99)	(346)
Net cash from (used in) operating activities	11,595	(1,149)
Investing activities		
Purchase of property, plant & equipment	-	(913)
Additional & alternation cost of leasehold property	(18)	(17)
Proceeds from disposal of property, plant & equipment	27	2
Interest received	6	6
Net cash from (used in) investing activities	15	(922)
Financing activities		
Repayment of bank loans and bills payable	(1,753)	(27,813)
Proceeds from bank loans and bills payable	2,216	29,621
Interest paid	(181)	(426)
Dividend paid	-	-
Net cash from financing activities	282	1,382
Net increase (decrease) in cash and cash equivalents	11,892	(689)
Cash and cash equivalents at beginning of period	8,777	3,448
Effect of exchange rate changes on the balance of cash held in foreign currencies	(77)	43
Cash and cash equivalents at end of the period	20,592	2,802

1(d)(i) STATEMENT OF CHANGES IN EQUITY
(In Singapore Dollars)

<u>Group</u>	← Attributable to Equity Holders of the Company →						
	Share capital S\$'000	Share option reserve S\$'000	Foreign currency translation reserve S\$'000	Accumulated profits S\$'000	Sub-total S\$'000	Minority interests S\$'000	Total S\$'000
Balance at 01.07.2009	39,230	203	(776)	77,551	116,208	1,453	117,661
Total comprehensive income for the period			(159)	1,769	1,610	(32)	1,578
Balance at 30.09.2009	39,230	203	(935)	79,320	117,818	1,421	119,239
Balance at 01.07.2008	39,230	203	(1,709)	67,127	104,851	1,255	106,106
Total comprehensive income for the period			417	8,337	8,754	3	8,757
Balance at 30.09.2008	39,230	203	(1,292)	75,464	113,605	1,258	114,863
<u>Company</u>							
Balance at 01.07.2009	39,230	203	-	66,625	106,058	-	106,058
Total comprehensive income for the period			-	1,139	1,139	-	1,139
Balance at 30.09.2009	39,230	203	-	67,764	107,197	-	107,197
Balance at 01.07.2008	39,230	203	-	54,107	93,540	-	93,540
Total comprehensive income for the period				7,240	7,240	-	7,240
Balance at 30.09.2008	39,230	203	-	61,347	100,780	-	100,780

1(d)(ii) CHANGES IN COMPANY'S SHARE CAPITAL

During the quarter, the Company did not issue any shares.

As at 30 September 2009, the Company has unexercised options of 124,352 (30 June 2009 - 124,352).

1(d)(iii) TO SHOW THE TOTAL NUMBER ISSUED SHARES EXCLUDING TREASURY SHARE

As at 30 September 2009 and 30 June 2009, the total number of ordinary shares of the Company was 540,567,507.

1(d)(iv) A STATEMENT SHOWING ALL SALES, TRANSFERS, DISPOSAL, CANCELLATION AND/ OR USE OF TREASURY SHARES

Not applicable.

2 AUDIT REVIEW

The figures have not been audited or reviewed by the auditors.

3 AUDITORS' REPORT

Not applicable as figures have not been audited or reviewed.

4 ACCOUNTING POLICIES

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared to the audited annual financial statements as at 30 June 2009.

5 CHANGES IN ACCOUNTING POLICIES AND THE EFFECT OF THE CHANGES

The Group has adopted all new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 July 2009. The FRS that are relevant to the Group include FRS 1 - Presentation of Financial Statements (Revised), FRS 23 - Borrowing Costs (Revised) and FRS 108 - Operating Segments. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current or prior period.

6 EARNINGS PER ORDINARY SHARE (EPS)

	Group	
	3 months ended	
	30.09.2009	30.09.2008
Earnings per share based on profit attributable to shareholders:		
(a) Based on weighted average number of ordinary shares in issue	0.33 cent	1.54 cents
Weighted average number of shares	540,567,507	540,567,507
(b) On a fully diluted basis	0.33 cent	1.54 cents
Adjusted weighted average number of shares	540,621,651	540,635,242

7 NET ASSET VALUE

	Group		Company	
	As at 30.09.2009	As at 30.06.2009	As at 30.09.2009	As at 30.06.2009
Net asset value per share	21.80 cents	21.50 cents	19.83 cents	19.62 cents

Net asset value per share is calculated based on the 540,567,507(30 June 2009 - 540,567,507) ordinary shares in issue as at the end of the financial period.

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.**

REVIEW OF FINANCIAL PERFORMANCE FOR Q1 FY09 AND Q1 FY10.

The group's revenue for first quarter ended 30 September 2009 (Q1 FY10) declined by 53%, from S\$62.6 million to S\$29.4 million. The decline was due to lower revenue from projects and lower demand for industrial material products, such as pipes and plates, following the global economic crisis.

The group's gross profit decreased by 57%, from S\$17.9 million to S\$7.7 million, due to reduced revenue and competitive pricing. Gross profit margin was 26%, as compared to 29% in the previous corresponding period.

Other income declined by 41%, from S\$1.6 million to S\$1.0 million, mainly due to lower rental income.

Overall expenses decreased by 34%, from S\$9.6 million to S\$6.4 million.

Distribution expenses declined by 40%, from S\$3.4 million to S\$2.0 million, due to lower marketing and logistics expenses. Administrative expenses declined by 23%, from S\$4.2 million to S\$3.2 million, due to decrease in warehousing rental expenses and administrative staff cost. Other operating expenses declined by 42%, from S\$1.6 million to S\$0.9 million, mainly due to higher exchange loss and allowance for doubtful debts, in the previous corresponding period.

Finance cost declined by 58%, from S\$0.4 million to S\$0.2 million, due to lower utilization of bank borrowings and interest rates.

The group recorded a net profit after tax and minority interest of S\$1.8 million, as compared to S\$8.3 million in the previous corresponding period.

REVIEW OF STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2009, WITH THAT AS AT 30 JUNE 2009

Trade receivables decreased by 16% from S\$35.8 million to S\$29.9 million, due to lower revenue. The trade receivables turnover increased from 77 to 100 days.

The Group's inventory decreased by only 3%, from S\$95.4 million to S\$92.5 million, due to earlier substantial purchases received in the quarter.

Current trade payables increased from S\$6.3 million to S\$7.9 million, and trade payables turnover increased from 25 to 29 days.

Current other payables decreased from S\$8.5 million to S\$7.4 million, due to lower amount owing to related parties, as well as accrual of operating expenses.

Bank borrowings have increased marginally from S\$33.8 million to S\$34.2 million, with gearing at 0.29.

Shareholders' fund rose by 1%, from S\$116.2 million to S\$117.8 million.

REVIEW OF CASHFLOW STATEMENT FOR Q1 FY09 and Q1 FY10.

The group recorded a net increase in cash and cash equivalent of S\$11.9 million, as compared to a decrease of cash and cash equivalent of S\$0.7 million, mainly due to increase in net cash generated from operating activities.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the 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 oil and gas, petrochemical and marine offshore industries, in which the Group operates, has yet to see a general recovery. However, there are early signs of renewed interest from substantial oil and gas related projects, which have been announced recently.

The Group will continue to closely manage operating cost, and improve operating efficiencies.

11 DIVIDEND

11(a) CURRENT FINANCIAL PERIOD REPORTED ON

Any dividend recommended for the current financial period reported on? No

11(b) CORRESPONDING PERIOD OF THE IMMEDIATELY PRECEDING FINANCIAL YEAR

Any dividend declared for the corresponding period of the immediately preceding financial year ? No

11(c) DATE PAYABLE

Not applicable.

11(d) BOOKS CLOSURE DATE

Not applicable.

12 IF NO DIVIDEND HAS BEEN DECLARED/RECOMMENDED, A STATEMENT TO THAT EFFECT

No dividend has been declared or recommended for the first quarter ended 30 September 2009.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

13 BUSINESS SEGMENTAL INFORMATION

Not applicable.

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

Not applicable.

15 BREAKDOWN OF SALES

Not applicable.

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.

17 INTERESTED PARTY TRANSACTIONS

Name of Interest Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions pursuant to the IPT Mandate)	Aggregate value of all interested person transactions under the IPT Mandate during the financial year under review (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
PT Dwi Sumber Arca Waja - Trade sales - Trade purchases	Nil Nil	271 Nil
The KSES Group - Trade sales - Trade purchases	Nil Nil	129 Nil
PT Citra Tubindo Engineering - Trade sales - Trade purchases	Nil Nil	265 Nil

CONFIRMATION BY THE BOARD OF DIRECTORS

The Directors confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the three months ended 30 September 2009 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Yvonne Choo
Shirley Lim
Company Secretaries
November 11, 2009